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## WEST EUROPE REPORT

No. 1859

## CONTENTS

## ECONOMIC

## DENMARK

- Finance Minister Jakobsen Foresees Tough Wage Talks Round  
(Bent Bjorn Christensen; BERLINGSKE TIDENDE, 29 Oct 81)..... 1

- Briefs  
Farmers Worried Over Bankruptcies 4

## FINLAND

- Firms Step Up Effort To Sell Advanced Technology to USSR  
(Jukka Luoma; UUSI SUOMI, 21 Oct 81)..... 5

- Briefs  
Vayrynen Urges Increased Aid 7  
Closer Ties With CEMA 7

## GREECE

- Mining Activities, Statistics Reported  
(BUSINESS & FINANCE, 24 Oct 81)..... 8

Exploration of Crucial Point  
Success of Recent Years, by G. P. Canellopoulos

## SWEDEN

- Youth Hurt Worst as Unemployment Continues Rise  
(DAGENS NYHETER, 18, 22, 27 Oct 81)..... 22

One of Five Jobless, Bo A. Ericsson  
Parties' Youth Wing Leaders Comment, by Bo A. Ericsson  
Virtually All Industry Sectors Affected

## POLITICAL

### INTERNATIONAL AFFAIRS

European Pacifism: Growth, Rationale, Alliance Threat (LE MONDE, 20-24 Oct 81).....	31
--	----

FRG: Anti-Reaganism; Church, Ecologists, by Claire Trean  
Great Britain: Unilateralists Gain, by Daniel Vernet  
BENELUX: IKV Pressures, by Claire Trean  
Scandinavia: Denuclearized Zone, by Alain Debov  
Counterarguments: Alliance Questions, by Michel Tatu

### DENMARK/GREENLAND

Briefs	
Government Sets EC-Membership Terms	50

### FINLAND

Sorsa Comments on Security Issues, Presidential Race (Seppo Halminen; SOSIALIDEMOKRAATTI, 3 Oct 81).....	51
SKDL Suspends Four Taistoite MP's for Month (Ritva Remes; HELSINGIN SANOMAT, 9 Oct 81).....	56
SKDL Chairman Kivisto: Better Koivisto Than Karjalainen (HELSINGIN SANOMAT, 11 Oct 81).....	59

Briefs	
Energy Research Funds	62

### FRANCE

Amnesty, Death Penalty Abolition Versus Public Opinion (Suzanne Labin; LE JOURNAL DU PARLEMENT, 15-30 Oct 81).....	63
Briefs	
Telecast on Shrines Canceled	66

### ITALY

Proceedings of CISL Congress Appraised (RINASCITA, 16 Oct 81).....	67
New Nonpartisan Identity, by Federico Rampini Carniti's Personal Triumph, by Fabrizio D'Agostini	

### NETHERLANDS

Housing Minister Van Dam Profiled (Rene de Bok; ELSEVIERS MAGAZINE, 10 Oct 81).....	74
--	----

## PORTUGAL

Do Amaral Defends Participation in Balsemao's Government (Freitas do Amaral Interview; FOLHA CDS, 3 Sep 81) .....	80
--	----

## MILITARY

### FINLAND

Military-Restricted Areas To Be Further Limited to Foreigners (HELSINGIN SANOMAT, 17 Oct 81) .....	85
---	----

### SWEDEN

Military Officers, Industry Leaders Debate MRCA Proposal (DAGENS NYHETER, 22, 25 Oct 81) .....	86
---	----

Army Chief Questions Adequacy, by Peter Bratt  
Industry Leader Cites Advantages, by Peter Bratt  
Paper Weighs General's Arguments, by Svante Nycander

## GENERAL

### FRANCE

SDECE Authorized 25 New Civilian Employees for 1982 (LE MONDE, 22 Oct 81) .....	94
Toulouse Industries Focus on Technologies Research (Catherine Laurens; LE MONDE, 10 Oct 81) .....	96

## FINANCE MINISTER JAKOBSEN FORESEES TOUGH WAGE TALKS ROUND

Copenhagen BERLINGSKE TIDENDE in Danish 29 Oct 81 p 6

[Article by Bent Bjorn Christensen: "Finance Minister: We Want Contact With Business"]

[Text] Finance Minister Svend Jakobsen is nervous about pay developments and ability to compete in the new year, but urges all those in business to use their working tools.

"Contact between business and government should be further expanded. In addition to the contacts in specialized sectors, there should be a more direct running dialogue on business and labor market policies for several years in the future. Subjects such as working hours, profit sharing and protection of competitive ability are natural ones to be considered."

That was said by Finance Minister Svend Jakobsen in a conversation with BERLINGSKE TIDENDE before next week's local conference in Slagelse, where he will participate as one of the speakers.

"It frequently happens that ideas are thrown out for debate which unfortunately are often promptly rejected. This applies to subjects such as working hours and profit sharing. It would be useful for both the government and business if together they could discuss possible solutions, future prospects, etc. Some misunderstanding and uncertainty could naturally be prevented by a dialogue."

Will Speak About OD [Economic Democracy]

"Will social democrats then speak on the question of profit sharing?"

"Decidedly. First, businesses should note the differences between the recommendations which we made for OD in 1973, and for profit sharing in 1979. If business could move just a little, we could find solutions."

"We do not believe in profit sharing, but we believe that it is an invitation to business which can protect a lower level of costs. The employee organizations understand that capital should be accumulated in businesses--that there should be a larger profit which can be invested and remain in the businesses. Business should on the other hand understand that employees are not completely satisfied with the ownership of the increased accumulations of capital."

"If business understood this point, it would be significantly easier to keep the pay increases down, which will be so difficult during the 80's. There is a need for a massive combined input, business can not solve the problems alone. They would then have collaboration, and a lower wage development would be accepted than if they fought their way with power. We also recognize that society as such must contribute with favorable economic conditions. There is thereby established a number of cooperative arrangements, carried out through business tax reductions and so forth, and we are ready to strengthen the manufacturing sector."

#### Fear of a Race Between Wages and Prices

"It is very difficult, however, to get agreement to such a policy by the millions of employees who contribute their production, but who believe that the result must be shared, and not go exclusively to the owners."

"Are you nervous about the time after the start of the new year when the wage talks are again set in motion against the background of the large price increases that have taken place?"

"Not only the finance minister, but everyone should be nervous that we may create the same situation as in the 70's, when Danish wages and prices were in a constant race, which weakened our competitive ability and caused us to lose our share of the markets."

#### See Problems in Everything

"There is also much understanding of the problems in the labor union movement, but it is important that we not get into situations where prices develop as a result of domestic increases which are greater than cost increases which have been caused from abroad. If some businesses earn greater profits after the lifting of restrictive price laws, it will undoubtedly lead to the employees also earning more."

Svend Jakobsen emphasizes the need for greater cooperation among the community, politics and business.

"We can solve the problems if we want to. I naturally feel that Danish business, like business in other countries, has very difficult working conditions, but there is a difference between attitudes abroad and here at home. Danish business makes the government guilty of all problems."

"I wish that people were more willing to pick up their tools and say that employees, communities and businesses are ready to make as large a contribution as they can. Unfortunately some sit back in their chairs and just complain about the desperate conditions."

"Does the government believe that its good intentions are harmed by mistrust?"

"The organizations believe that all problems begin with the government. People are afraid that we want to direct the details of business. Perhaps there are some who want to do that. Perhaps there are also some social democrats who have that goal, but it is not the goal of the government or of the Social Democratic Party. We

just want to ensure that whatever support is given has the greatest possible effect. We have that responsibility to the taxpayers.

"There are differences between the attitudes of the organizations and their members toward arrangements helpful to business. The organizations are worried about everything new, while the members diligently use what is offered."

#### The Small and Medium-Sized Will Be Helped

"Can one find his way in the bureaucracy?"

"For a small business the necessary minimum of paper work is difficult, but by setting up technological information centers in the counties we have tried to create opportunities for help and guidance in technology, economy, accounting, etc. In the government we have mostly had the small and medium-sized manufacturing firms in mind in making the different support arrangements. We are not always successful in correctly arranging so that a specific group of companies derive the benefit of support. There is a tendency for especially large and well-organized businesses to also utilize certain arrangements, even if the politicians' intentions were otherwise.

"We continue to strive, however, to get hold of the situation. Progress will then really begin..."

9287

CSO: 3106/15

## BRIEFS

FARMERS WORRIED OVER BANKRUPTCIES--Top agricultural leaders now openly express fear that the cloudy political situation will result in an election before Christmas. Therefore the Agricultural Council this afternoon made a number of new demands for immediate easing of liquidity to stop the wave of forced auctions, while waiting for an overall solution. The new requests were published following a 4-hour directors meeting in which the results of a negotiation earlier in the day with Minister of Agriculture Bjorn Westh were discussed. Agriculture wants immediate extension of the framework for cheap state-guaranteed loans, short-term loans to cover the December period, and introduction of the so-called negative income tax, by which farmers would get money from the state if they have a deficit. The demands were brought up to date in an ombudsman's report on new forms of financing. The report, published yesterday, concludes that no new arrangement concerning refinancing of agriculture's enormous debt can be made for one year. In the meanwhile a four-figured number of farm properties will be sold at forced auction, and the top agricultural leaders will not tolerate this politically. At yesterday's meeting the leaders succeeded in setting aside the internal fight over the right to speak on behalf of the industry. The fight grew up last week when the agricultural chairman, Hans O. Kjeldsen, accused the dairies and packing houses of disloyalty because they delivered their own crisis recommendations to the government without the other industry leaders. [By Carsten Steno] [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 22 Oct 81 p 1] 9287

CSO: 3106/15

## FIRMS STEP UP EFFORT TO SELL ADVANCED TECHNOLOGY TO USSR

Helsinki UUSI SUOMI in Finnish 21 Oct 81 p 17

[Article by Jukka Luoma: "Finnish Firms Offer New Technology to USSR"]

[Text] Moscow--The latest Finnish technology is being offered for the exploitation of Soviet energy resources at the oil and gas industry exhibit, which was opened up in Moscow on Tuesday.

The Finnish contribution is connected with two points of emphasis in Soviet energy extraction, the more efficient use of already excavated oil fields and the exploitation of Arctic resources and mineral wealth.

Rauma-Rekola's Witermo exhibited oil excavation equipment based on steam operation at the exhibit in Sokolniki Park, and Wartsila exhibited boats for the Arctic project. The exhibit organized by an English firm is the largest exhibit organized by foreigners in Moscow in years, and it included approximately 250 firms from 14 countries.

"The Soviet Union's own ministries in this area of industry selected the equipment to be shown at the exhibit so that one would expect that this is the equipment in which they have a particular interest," stated a representative of the exhibit.

#### More Efficient Exploitation

The more efficient exploitation of oil fields is very evident in the five-year plans for the Soviet oil industry. The industry has experienced some setbacks, difficulties in obtaining pumping stations purchased from the United States, among other things.

In reporting on the plans of the oil industry the economic newspaper EKONOMICHESKAYA GAZETA stated in April that "in order to maintain production at a high level", the plan is to replace the procedure based on water pumping used so far with a more efficient gas procedure in the vast Samotlor field in Western Siberia.

According to assessments published in the West in pumping oil by means of water more than half of the oil remains in the earth, even 70 percent of the estimated or possible amount of oil. According to the plan in addition to the 2,300 bore holes already being pumped by the more efficient gas method, 4,200 more holes will

be transferred to the gas method, and production from these wells should increase from 22 million tons to 58 million tons.

It is calculated that the steam method used in the United States and Western Europe brings out even 90 percent of the oil in the earth since the heat pumped into the earth makes the oil in the rock more fluid.

An exceptionally efficiently insulated pipe network developed in the United States and boilers designed in West Germany are used in the Rauma-Repola equipment. This system is considered suitable for the fields in the European part of the Soviet Union.

10576

CSO: 3107/14

## BRIEFS

VAYRYNEN URGES INCREASED AID--According to Foreign Minister Paavo Vayrynen (Center Party) Finland intends to achieve the 0.7 percent development cooperation goal established by the UN. At the Diet's development cooperation seminar on Tuesday Vayrynen stated that the Foreign Ministry will present a decision in principle to the government on this matter in the near future. According to Vayrynen development cooperation funds should be increased by equal amounts annually so that 0.7 percent of the gross national product will be achieved by 1988. He stated that the purpose of this decision is that the Diet, for its part, will reinforce this goal in connection with the discussion of the state budget. According to Vayrynen the government has previously determined that the goal is to achieve 0.32 percent of the GNP by 1982. This level will be reached in next year's budget, he stated. Vayrynen also discussed the quality of Finland's development cooperation, which he says can withstand even critical international scrutiny and comparison. In talking about the quality of aid Vayrynen emphasized the need to improve Finland's contribution to the development of rural areas in developing countries. He confirmed that Finland has been rather weak in this area and is bringing up the tail in the statistics of the OECD with respect to funds directed at the development of rural areas. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 21 Oct 81 p 8] 10576

CLOSER TIES WITH CEMA--There are plans to further increase the multilateral economic and scientific-technical cooperation between Finland and CEMA. This became evident at the 9th session of the Finnish and CEMA Cooperation Commission, which was held in Ulan-Bator, Mongolia. The Finnish delegation under the direction of Foreign Trade Minister Esko Rekola returned to Finland on Saturday. According to the recommendations of the commission cooperation will be increased in the areas of foreign trade, machine building, chemistry, transportation, and science and technology, among other things. As far as foreign trade is concerned the commission confirmed that trade and economic relations between Finland and CEMA-member countries has developed favorably. From the minutes of the meeting it becomes evident that commodity exchange between Finland and CEMA-member countries amounted to approximately 4.3 billion rubles last year. Also the development of cooperation in the area of machine building has continued favorably. On the basis of a recommendation of the cooperation commission multilateral scientific-technical agreements, which deal with three ship building projects, the development of a complete food packaging line, hospital equipment, and sodium carbonate boilers, were concluded this year. The commission decided to hold its next meeting in Helsinki next year. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 25 Oct 81 p 36] 10576

## MINING ACTIVITIES, STATISTICS REPORTED

## Exploration of Crucial Point

Athens BUSINESS & FINANCE in English No 165, 24 Oct 81 pp 1-10, 12-14

[Text]

Greece's deposits of minerals and ores are considerable, although they remain largely unexploited. Over twenty varieties of minerals and ores are to be found in the country, and each new exploration reveals new large deposits.

The production of various minerals has increased over the years, and income in both local and foreign currency has also risen rapidly. All the figures in the sector show a dynamism and enormous possibilities for development especially in view of the fact that the quantities extracted and exported represent only a small fraction of the existing deposits. Local processing, which has progressed in promising ways over the last 20 years still has wide margins for growth. This is necessarily so, because of the sizeable difference in export earnings between raw and processed minerals.

Until 1975, State intervention was feeble, but since then it has become more extensive and decisive. It now covers not only exploratory activities, but also local processing, particularly in the underdeveloped sector of metallurgy. Also, a new legislative framework for the activity of the private sector was created.

Such initiatives have not always been welcomed by private interests. On a more general level the basic question is whether state intervention will continue in the same direction, or whether it will expand and take over the development of the whole sector? Which of these two alternatives leads to the best exploitation of the country's mineral wealth, within the framework of overall economic development, remains a moot point.

Greek membership of the EC, and

the freedom of European companies to explore and exploit the Greek mineral wealth, will create a new framework for the activities of the sector. Other factors which will influence this new reality are high energy costs, and the continued world economic recession. The sector must be ready to adapt itself to the new conditions that will arise in the near future. The State policy that will be applied will be decisive for the development of the sector and the country. There is little time left: all the circumstances indicate the need for rapid solutions.

## HISTORICAL PERSPECTIVES

The Greek geological area belongs to the Alpine orotogenetic zone. The main characteristic of this zone is the existence of a wide variety of useful ores, in deposits of varying size. Most commonly found are small and medium sized deposits, but there are also a number of large deposits. In Greece, one can find all three categories of useful ores: metallic, non-metallic, and fuel primarily in small sized deposits – at least by international standards. The existence of this wealth was first realised after the Second World War, when a more thorough and systematic study of the Greek subsoil was initiated.

This research, which has not yet been completed, has proved that although Greece is no Eldorado, there are many important ores in adequate quantities,

which could contribute to and support, the industrial and economic development of Greece.

Though mining activity in ancient Greece was considerable (e.g. marble from Pendeli, copper and iron in Lavrio, iron in Seriphos, gold in Pigeon etc.) interest in the subsoil of the country did not manifest itself till after the First World War and the Greek State did not actively pursue the development of the secondary sector till after the Second World War. It is interesting to note that in the interwar period, both proved and possible deposits of all kinds of ores increased considerably.

The major part, though, (80-90%) of exploration activity has been carried out by Greek private companies, while the Greek State, has participated through such companies as IGME, ΔΕΠ, ΔΕΗ and the National Polytechnic School. The lack of central co-ordination, and of an efficient organisation for the exploration process, as well as the bureaucratic structure of the above State organisations has contributed to the non-completion of the exploration activities. The construction of a geological map, which was started after the war, for example, has not yet been finished.

Another aspect of the problem is the way in which the exploitation of the mineral wealth has been carried out. The basic criteria in evaluating the importance of one exploitation policy over another in connection with their contribution to the country's economic development of the country, is the degree to which the extracted minerals are processed within the country. In other words, how many stages necessary for the final production of the finished goods are carried out within the country. A high degree of processing at home entails greater value added and is an indication of vertical integration of production, a characteristic of a developed economy.

The policy that was followed for many years during the post-war period was characterised by a low degree of local processing. The major part of the extracted minerals was exported unprocessed by both Greek and foreign companies. The only aim at the time was to earn as much foreign currency as possible. The

lack of a broad industrial structure, and of a planned policy for independent economic development were not helpful features though over the last two decades, important steps have been taken in local processing mainly of bauxite, nickel and magnetite.

However, for most metals, the degree of local processing remains very low. This is an indication of the possibilities for further development of the metallurgy industry, which is a key factor in integrated industrial development.

Various other problems have arisen, such as finding ways in which to make exploitation more efficient and to increase its contribution to the industrial development of Greece, the forms in which State intervention can take place, and the role of the private Greek and foreign companies.

## A PROFILE OF GREEK MINERAL WEALTH

According to the exploration that has so far been carried out, the existence of about fifty different ores on Greek territory has now been proved. For various reasons, most of these ores have not been exploited. These reasons include insufficient knowledge of the extent of deposits and high exploitation costs.

In Greece, there are about 1,100 privately owned registered mines, and about 150 state-owned mines. Of the privately owned mines, about 110 are functioning, and another 550 are being explored, or are to be exploited in the future. There are various reasons why the others are not functioning at all.

Because exploration activity is not centrally co-ordinated, and is carried out separately by private companies and the State, there is some controversy over the size of proved and possible deposits of several of the ores. Another cause of controversy is the new discoveries that are constantly being made, and the disagreement that exists on how rich a deposit must be for it to be considered economically exploitable.

Table 1: Proved and possible deposits of ores in Greece, and production 1969 and 1979

Ore	(1) (a) Proved deposits	(b) Possible deposits	(a)+(b)	(2) Production 1969	Production 1979	1979 pro- duction as % of total
Asbestos	10	20	30	—	—	—
Asbestos	—	—	100	—	—	—
Antimonite	—	—	5	—	—	—
Baryte	—	4	4	74.4	11.08*	0.04
Bauxite	150	500	650	1,905.3	2,914.9	2
Dolomite		unlimited		—	—	—
Magnesite	130	80	210	577	1,058.2*	1
Lignite	3,000	2,000	5,000	6,732.7	21,698.1*	0.7
Manganese ores	—	—	25	7.3	56.7*	0.4
Copper ores	—	—	80	—	—	—
Mixed sulphide	10	20	30	295.7	721.3	15
Iron ores	—	—	20	—	—	—
Nickel; ferrous ores	300	1,000	1,300	501.4	1,685.1*	2
Pyrite	10	12	—	—	—	—
Emery	—	—	11 m <sup>3</sup>	7.1 m <sup>3</sup>	7 m <sup>3</sup>	1
Talc	—	—	—	6.1	—	—
Fluorite	—	—	—	—	—	—
Gold	—	—	—	—	—	—
Chromite	1	3	4	60.6	87.1	2
Gypsum		unlimited		271.6	507.1	—
Sulphide	—	—	1	—	—	—
Pozzuolana (Santorini earth)		unlimited		496.3	1,345.1	0
Kaolin	5	10	15	47.0	52.1*	0.001
Pumice stone	—	—	100 m <sup>3</sup>	375.2 m <sup>3</sup>	1,088.1 m <sup>3</sup>	1
Marble		unlimited		64.2 m <sup>3</sup>	153.8 m <sup>3</sup>	0
Bentonite	120	100	220	206.8	375.7	0.04
Perlite		unlimited		148.6	193.7	0
Peat	—	—	35-4,000	—	—	—
Uranium	—	—	—	—	—	—
Cement raw materials		unlimited		—	—	—
Geothermia	—	—	—	—	—	—
Oil	19	—	—	30,000 barrels a day est. for 1982		
Underground water		unlimited		—	—	—
Salt		unlimited		94.3	124.7*	—

(1) Figures in the first three columns are given in million tons (unless otherwise stated)

(2) Production figures are given in thousand tons (unless otherwise stated)

\* Statistical data for 1978

— No statistical data available

Sources: KEPE: Economic Development Programme (Mines and Quarries) 1976-80

TEE: Greece Mineral Wealth 1st Conference 15th - 20th May 1977

Table 1 gives an outline of the proved and possible deposits of various ores as well as their production for the years 1969 and 1979.

To complete the picture of Greek ores, mention must be made of the existence of some ores for which exploitation continues, but for which exploitation has not yet begun. Some of these are radioactive ores, such as uranium, rare ores, such as tantalum, rare earths and iron ores, such as iron vanadium, and titanium, light metals such as magnesium, and others such as gold, silver, zinc, etc.

## DESCRIPTION OF THE SECTOR

The first two rows of Table 2 show that during the period from 1971 to 1979, both the number of companies and the number of persons employed in the sector decreased. However, gross production value more than tripled. This was more the result of increased prices rather than increased production quantities, as can be deduced from an examination of Table 1.

The value of consumed materials increased steadily, particularly after 1974, when fuel prices rose rapidly. Gross value added increased at a corresponding rate. Productive investment in the sector went up very rapidly, especially in 1977-78, because of Government expenditures for oil exploration. (About 1.5 billion drachmas). Fixed capital investment increased during this entire period mainly because of increased state investment, which was greater than investments of the private sector.

Finally, Table 2 shows long-term credits to mining industries, which, over the years, covered an increasingly higher percentage of the private sector's investments. After 1977, this percentage rose to over 90%. This explains why the ratio between net worth and total assets in the major firms of the sector is between 1:2 and 1:4, as shown in "Guide to Greek Industry" by ICAP.

Table 3 completes this brief picture of the sector, by showing the development of the sector's production, in quantities, by index.

## EXPLOITATION OF GREEK MINERAL WEALTH

### Vertical integration and problems

The exploitation of a country's mineral wealth is a problem of great national importance. The way in which this problem can be solved depends on the long-term economic policy that will be followed. In formulating such an economic policy there are some general questions which inevitably arise. Thus one has to determine the extent to which the exploitation of those mineral deposits which are not unlimited should be carried out now, or in the future? Will the importance of certain ores decrease or disappear altogether if technological substitutes take their place? When is the best opportunity to exploit a certain ore in order to maximise the benefits for the country? Should the aim be to maximise the foreign currency earnings or some other variable?

Apart from these general questions, which decide the overall direction of economic policy, it is generally agreed that the mineral wealth of a country is one of its most important resources, and that the exploitation of these resources must be carried out in such a way that the country receives the maximum benefit.

These benefits can not be estimated only in terms of annual incomes, but also in terms of the indirect consequences and opportunities for the country's industrial development. Raw metallic minerals are the basic requirements for the development of the metallurgy industry. Metallurgy is the heart of the industry which supplies the rest of the industrial sectors with metals for the production of finished goods. So the first stage, which is the extraction and enrichment of the raw material, opens possibilities for the development of the next stages, which are metallurgy, and the finished goods industry. In other words, for the vertical integration of the sector and the increase of value added for the economy as a whole.

In the developed western countries, the support and continuation of their industrial development was greatly helped by the importation of raw materials from Third World countries. In Greece how-

**Table 2: The size and activity of the sector, 1971-1979\***

	1971	1974	1977	1978	1979
Number of establishments	154	157	133	131	—
Average number of employees	13,246	16,410	17,546	15,730	—
Gross production value <sup>†</sup>	2.836	6.117	10.321	11.716	—
Value of materials <sup>†</sup>	—	1.633	2.639	2.758	—
Gross production <sup>†</sup> value added	—	4.422	6.829	7.995	—
Productive investment <sup>†</sup>	1.970	2.621	3.853	6.494	—
Fixed Capital Investment: <sup>†</sup>					
Total	1.981	2.482	3.765	4.908	7.202
Private	1.892	2.180	2.283	2.236	3.914
State	0.089	0.302	1.482	2.672	3.288
Long-term credits to <sup>†</sup> mining industries	1.260	1.513	2.003	2.249	—

\* No stone or marble quarrying included

— No statistical data available

† Figures given in billion drachmas

Sources: National Statistical Service of Greece

Ministry of Industry and Energy. Bulletin of the Mining Activities in Greece for 1976  
Confederation of Metallurgical Industries. 1980 Report

**Table 3: Development of the production of the sector, 1973-1979, by production index**

	1973	1974	1975	1976	1977	1978	1979
Production Index	133.3	136.0	132.6	143.2	148.8	144.8	155.2

Base: 1970=100

Source: National Statistical Service of Greece

**Table 4: The extent of vertical integration**

Ore	Sufficient deposits	Extensive exploration needed	Technical research underway	Vertical integration in stages (1)	Possibilities for further development
Alunite	*	—	—	—	Chemical Industry
Asbestos	*	—	—	1,2	
Antimonite	—	*	—	—	Metal production
Barytes	*	—	—	1	Expansion, increased exports
Bauxite	*	—	*	1,2,3	Second alumina, and aluminium plant
Dolomite	*	—	—	1	Production of MgO with seawater
Magnesite	*	*	*	1,2,3	Expansion
Lignite	*	*	*	1	Production of fertilizers, and energy
Manganese ores	—	*	—	1	Import substitution
Copper ores	—	*	*	1	Increased exploration
Mixed sulphide	*	—	*	1,2	Zinc and lead industry
Kaolin	*	—	—	1	Import substitution and standardisation
Iron ores	—	*	*	2	Import substitution
Nickel ferrous ores	*	—	*	1,2	Expansion new plant for nickel and stainless steel
Emery	—	*	*	—	Increased exports, standardisation
Perlite	*	—	*	1,2	Increased exports, standardisation
Uranium	—	*	*	—	Production of uranium
Pyrite	—	*	—	2	New sulphuric acid plant
Chromite	*	—	*	1,2	Production of stainless steel and ferrochrome
Gold	—	*	—	—	Gold production
Bentonite	*	—	*	1	Increased exports
Marble	*	—	—	1,2	Increased exports, and standardisation
Pozzuolana	*	—	—	—	Expansion
Gypsum	*	—	*	1,2,3	Production of building materials
Fluorite	—	*	—	—	
Heavy metals	—	*	—	—	Discovery of new deposits
Rare earths	—	*	*	—	Discovery of new deposits
Phosphorites	—	*	—	—	Intensive exploration and exploitation
Pumice stone	*	—	—	1	Increased exports

(1) Stage 1: extraction, and in some cases, enrichment

Stage 2: metallurgy

Stage 3: production of finished goods

Source: KEPE: Economic Development Programme (Mines and Quarries) 1976-1980

ever, such possibilities do not exist. Thus, the existence of local mineral wealth is a great advantage to the industrial development of this country.

Every step in this direction necessitates the expansion of vertical integration in the exploitation of mineral wealth. Until today, exports of Greek minerals amounted to about 50% of their gross produced value, which shows the external orientation of the sector. Vertical integration has not gone far enough to cover the greater part of production. The metallurgy industry is not broadly developed, with the exception of a few cases such as bauxite, magnesite, and some other ores.

Table 4 attempts to present a picture of the extent of vertical integration in the sector, and of the possibilities for further development. The first column of the table shows all those ores that have been found in quantities sufficient to justify industrial exploitation. The second column shows all the ores for which extensive exploration is needed, in order to find greater quantities. The third column presents those cases for which some kind of technological research is underway in one or another of the processing stages.

The fourth column shows under the headings 1, 2 and 3 the stages which exploitation has reached. Column five shows the possibilities for further development in the sector, with the aim to achieve a higher degree of vertical integration.

As can be seen from this table, vertical integration has progressed further in bauxite, where bauxite, alumina, aluminium and finished goods are all produced. Since only a small part of the produced bauxite is locally processed today, and since there exist possibilities for increased production, expanding international demand for aluminium and alumina justifies the expansion of the existing alumina and aluminium plants, as well as the building of a second plant.

The major problem in building such plants is the monopoly and imposing power exercised by the international cartel, a fact which makes the sale of alumina difficult. In the case of aluminium, high energy consumption is also a constraining factor.

Another ore for which local processing has progressed quite far, is magnesite. From magnesite, dead burnt magnesite, caustic magnesia, etc. are produced, and technological research in this branch is

already well advanced. Because of the high quality of Greek magnesite, there are considerable possibilities for expansion, if exploration reveals new deposits.

In nickel ferrous ores, local processing has gone quite far, and there are possibilities for the production of stainless steel and ferro-nickel. Lignite is used by the Public Power Corporation (ΔΕΗ) as fuel for the direct production of electricity. This process could be made more efficient, and the mineral could also be used for the production of fertilizers. A plant for asbestos production has been started, although the demand is less than the capacity of this plant.

The processing of other minerals such as marble, bentonite, perlite, chromite, etc., has begun, and there are possibilities for further development and expansion. Apart from the energy problem, which concerns only a few ores, a major problem in processing is the lack of adequate private or public institutions with the ability to carry out the exploitation of the mineral wealth. In recent years, efforts to create such institutions have been undertaken and success has been proved in some cases. In fields where private companies have not acted, the state has taken initiatives, by creating institutions like ELEVME which aim for the development of local industries in order to carry on local processing. These efforts are at their initial and most difficult stage.

Another problem is the lack of specialised middle-level personnel who can operate the highly advanced machinery and equipment. This problem is the result of the low standard of middle-level technical education in Greece. There is a gap between the needs of modern and advanced technology and the education that is supplied. Because of this, the biggest companies in the sector have their own personnel training programmes.

The situation for top-level personnel is much better though, mainly because of the good number of highly-qualified graduates from Greek and foreign universities and technical colleges.

## IMPORTS AND EXPORTS

As a producer of many of the important minerals, Greece has no need to import large quantities. Minerals imported are

mainly lead ores, coal, iron ores, oil, phosphorates, and a few others in insignificant quantities. The needs of the existing metallurgy industry are amply covered by local raw mineral materials, with the exceptions of the cases mentioned above.

However, the needs of the sector for machinery and equipment are considerable, and make up a major part of high investment requirements, as shown in Table 2. As this highly technically advanced machinery is not produced in Greece, between 80% and 90% must be imported. The most important role that the sector plays in the national economy, is in the field of exports. As in every growing sector, exports are of decisive importance for continued expansion. In this way, the limited size of the local market is overcome. For a sector such as this, in a market such as the Greek one which is, in some cases, limited or even non-existent, exports are essential for its expansion. This explains why most mining companies have thrust out in this direction.

In assessing these efforts, it must be said that the results have been significant. The volume of exports of mineral and metallurgical products (marble and cement are not included) rose from 2,380,032 tons in 1969 to 3,608,936 tons in 1979, i.e. by 50%. Of metallurgical products, (alumina: 229,300 tons, aluminium: 73,000 tons, and nickel: 17,900 tons) these, in 1979, made up 320,200 tons. During the same period, the value of exports increased five-fold in terms of drachmas, and tripled their value in dollars. Clearly, this increase was mainly the result of rising prices for the products of the sector on the international market, secondly only a result of increased volume.

In total, exports of metallurgical and mineral products in recent years have made up about 15% of total Greek exports. It should be pointed out, however, that although the export volume of metallurgical products is only 10% of the combined metallurgical and mineral exports in terms of value it is over 50%. This is an indication of the importance of metallurgy in the economy as a whole. Table 5 shows the export value of the products of the sector (excluding marble and cement), in order to show the true size and importance of the sector.

Table 6 shows the exports of the main minerals and ores during 1975, (volume) and 1980 (volume and value). It

also shows the three main export markets.

As can be seen, the most important destination for Greek mineral exports is the European Community. The main exception is bauxite, which is exported almost exclusively to Romania and the USSR. The reason for this is to be found in the processing methods of Eastern Europe, which are better suited for Greek bauxite. Greek bauxite is not well-suited for the 'tropical plant' that is used in the EC countries. Greek ores are also exported to other countries in the world, but in smaller quantities.

## STATE POLICY IN THE SECTOR

Until the Second World War, the interest of the Greek state in the mineral wealth of the country was almost non-existent. This field was not considered important for the country's economy, and real interest began in the post-war period.

One of the first actions of the state was the establishment of IGEY (Geological Institute for Underground Research), with the help of UNRA. This institute began work with the aim of finding out and estimating the country's mineral wealth. Another important action was the creation of the PPC and the exclusive reservation of all lignite deposits for its needs. The state also contributed to the exploitation of the mineral wealth by facilitating the initiatives of the private sector.

State intervention in the sector intensified and became more active after 1974. Two new institutions were created, The Institute for Geological Research (IGME) for exploration and research activity in minerals, and ΔΕΠ (Public Petroleum Corporation) for oil exploration. Some land areas were secured for the activities of IGME. ΔΕΠ undertook oil exploration throughout the country, in most cases in co-operation with foreign firms. New agreements with foreign firms were signed with the purpose of promoting in every way possible, exploration activity in this field. High energy costs dramatically increased the importance of speeding up these efforts. Concerning the exploitation of mineral wealth, the state played a role in the local processing of building plants for the local processing of certain minerals. Through ELEVME and ETBA, some processing plants have been built, and others are being planned for the future. These efforts have been undertaken in part of the metallurgy

**Table 5: Exports of the sector excluding marble and cement (Value in million drs, unless otherwise stated)**

Year	Minerals & Ores	Metallurgical products	Total value	Total value in '000 \$
1971	1,324.8	1,901.3	3,226.1	107,180
1972	1,476.3	2,356.6	3,832.9	127,352
1973	1,928.8	3,633.8	5,562.7	187,170
1974	3,438.8	4,842.2	8,281.0	275,119
1975	4,055.9	4,847.6	8,903.5	275,831
1976	4,792.9	5,728.5	10,521.4	285,218
1977	4,428.9	5,879.8	10,308.7	277,047
1978	5,455.7	6,826.7	12,282.3	331,061
1979	7,211.2	8,595.3	15,806.5	359,240

Source: National Statistical Service of Greece

**Table 6: Exports of main minerals and ores, 1975 and 1980. (quantities given in thousand tons, value in million drachmas)**

Commodity	1975 volume	1980 volume	1980 value	Main destinations
Natural magnesium and carbonate	393.4	423.8	4,093.3	W. Germany, Italy, Yugoslavia
Clay (Kaolin, bentonite, etc.)	352.0	485.4	489.2	Canada, Italy, Sweden
Sulphur	10.0	2.0	16.9	Bulgaria United Kingdom
Natural barium, sulphate and carbonate	83.4	55.2	164.3	USA, Nigeria, Saudi Arabia
Pumice stone	251.2	405.2	134.8	W. Germany, USA
Aluminium ores (bauxite)	1,594.6	2,340.2	2,120.5	Romania, USSR, France
Chromium ores	19.3	32.3	176.0	W. Germany, Italy, Yugoslavia
Manganese ores	2.9	0.7	5.3	Spain
Lead ores	13.0	39.1	1,960.1	Italy, Belgium, United Kingdom
Zinc ores	26.1	44.7	427.9	Italy, Bulgaria, Belgium
Iron pyrites	19.8	22.6	4.9	Kenya, Bulgaria
Emery	3.6	2.3	3.9	Italy

Source: National Statistics Service of Greece

sector, where private interest is considered insufficient.

Strict legislation concerning the restoration of the environment and the prevention of mining activities in forested areas has been approved. Law 1116 regulates tax exemptions for grants for certain kinds of investments. Such grants are also given by the EC. There are also reductions on interest rates paid for investment for exports. The creation of the necessary infrastructure, and the supply of medium and high-level personnel is another field in which the state has acted. Future state policy in this sector depends on the programmes of the main political parties.

According to its programme, New Democracy will intensify exploration activity for both mining and oil. In mining alone, it plans to spend 2.5 billion drachmas per year from 1982 to 1985. In processing, it plans to build new plants for the exploitation of new minerals. For PASOK, the basic aim is the nationalisation of the big companies in the sector, and a private or co-operative function for the smaller companies, which are going to operate under national control. The intensification of exploration and research activity and the promotion of the exploitation of the mineral wealth for the purpose of promoting vertical integration and the country's industrialisation are other important points on its programme.

## THE EFFECTS OF EC MEMBERSHIP

Because of their high level of industrial development, the EC member states are important consumers of mineral raw materials. However, most minerals and raw materials are not produced locally, and are consequently imported mainly from Third World countries.

In recent years, these countries have begun to create international organisations such as OPEC and CIPEC with the aim of achieving better prices for, and control over their products.

This fact is worrying for the Europeans, who have accordingly attempted to economise on their use of raw materials.

The European metallurgy industry, mainly through daughter companies, imports large quantities of minerals for metal production. In spite of using both imported and local minerals, they are still not self-sufficient in some basic metals. Table 7 gives a picture of the degree of self-sufficiency in some metals for the EC countries.

Greece produces considerable quantities of some minerals which the EC needs

**Table 7: Degree of self-sufficiency in the EEC.**

Commodities	% of self-sufficiency
tin	51
aluminium	43
zinc	42
lead	39
copper	35
phosphate	0
nickel ores	0
GR ores	0

Source: EC Information Bulletin, No 8, 1977

to import. Statistical data given by the Greek Association of Mining Companies (EME) shows that Greek production of bauxite for 1977 was higher than that of the other EC countries together. (See Table 8).

Greece also produces considerable percentages of magnesite and magnesite products, bentonite, perlite, chromite, lead ores, etc., and most of these exports are destined for EC countries.

In conclusion it must be said that Greek mineral wealth is of great importance to the EC, especially when transportation costs are also taken into consideration.

Greek entry into the EC, amongst other things means that EC citizens are free to explore Greek territory. Greek mineral legislation is not in agreement with these rules, and must be adapted to meet the new conditions since this type of activity is forbidden to foreign nationals. So far, this adaptation has not yet begun to be implemented. For the biggest Greek companies, EC membership will not have marked effects, because these

**Table 8: World, European and Greek production of bauxite, alumina, aluminium and nickel in 1977 (in million tons)**

	bauxite	alumina	aluminium	nickel
World production	85	30	14.2	0.8
Gk production as %	3.41%	1.5%	0.91%	2.2%
European production (E&W)	17.6	9.0	6.2	0.3
Gk production as %	16.48%	5.22%	2.08%	9.24%
EC production	2.0	3.4	2.0	0.05
Gk production as %	—	13.8%	6.49%	34.52%
Greek production	2.9	0.5	0.1	0.02

companies already operate under competitive international conditions.

The situation is quite different however for the smaller companies. It will be difficult for them to survive and grow under the new competitive conditions. Most of them will either be taken-over or will be forced to enter into partnership agreements with European companies, especially since the likelihood of new discoveries is quite high.

The Community also finances part of the exploration activity, and this contribution will be important and encouraging for the exploitation of the mineral wealth.

The EC will not be interested in developing the second stage — that is metallurgy, as their own very highly developed metallurgy industry is not working at full capacity, and there is probably no need for new industries in this field. On the other hand, for Greece, it is necessary that a Greek metallurgy industry be developed, and state efforts over the last decade have been made in this direction. Under Community conditions, it may sometimes be difficult, but not impossible, for Greece to implement her own economic policy.

EC membership creates problems, but also presents new opportunities. Which of these will be the dominant factor for the country depends on the policy followed, and the government's ability and effectiveness in realising its plans.

## CONCLUSIONS

The survey has shown, through statistical data, that the known mineral wealth of Greece is quite considerable. Experience has shown that if exploration activity continues in a better organised and more systematic way, the mineral wealth will prove to be even greater.

Exploitation of the mineral wealth began many years ago, with the main purpose of maximising foreign currency earnings. During the last ten years, important steps have been taken towards local processing. The country's membership of the EC is a new factor which is going to influence the direction of the exploitation of the mineral wealth. The international economic recession is another factor which, in different ways, will also influence the exploitation of the various minerals.

Today, the future development of the sector is at a crucial point. A well-organised and centrally co-ordinated exploration and research activity is needed in order to estimate the volume of each mineral and evaluate its importance to the country's economic development. Local processing and a broader development of metallurgy as a strategic sector for the economy must be promoted. The need for large resources for exploration, and the building-up of local processing, a complete and long-term strategy, and activity on an international scale, demand an active state role in adequate forms and initiatives, to maximise utility, and promote the country's industrialisation.

## Success of Recent Years

Athens BUSINESS & FINANCE in English No 165, 24 Oct 81 pp 19-20

[Article by G. P. Canellopoulos, mining engineer, metallurgist, president of Scientific Society of Mineral Wealth Technologists: "Greek Mining and Metallurgy: the Success of Recent Years"]

[Text]

The mineral wealth of Greece has been the subject of studies, exploration and exploitation for thousands of years, according to the historical period and its needs. The oldest scientific evidence is Theophrastus' work "On Stones", which was written more than 2,300 years ago and which dealt with mineralogy and metallurgy.

Greece has shown an economic interest in the evaluation of mineral wealth at least since the time of Homer. Later on, this wealth supported the economic and cultural greatness of Athens. As one can see, mainly from the exploitation of the Lavrion mines, which contained great quantities of silver, Pericles' age showed a great interest in the evaluation of the mineral wealth.

After this period, however, the exploitation of mineral wealth was of little importance. There was only a small production of gold, silver, lignite, asphalt, iron ore etc. until the end of the last century when mining restarted at Lavrion and, after that, at Serifos (iron ores) etc.

In modern Greece, it was only in the post-war years that greater and more rapid development began in all of the sectors; that is, in scientific exploration, research, mining exploitation, etc.

Initial progress was greater than might have been expected. The reasons are not entirely clear. Was it the State that realised the importance of the mineral wealth in the economic development of the country or was it the initiative of the private sector, which at that time had a wealth of able and active businessmen or was it perhaps the objective existence of adequate conditions and a suitable infrastructure? Were there other circumstances, or was it the combination of some or all these factors? The

only certain thing is that mining developed considerably during the period after the War.

## RESEARCH

The results of exploration have been impressive. So far, 3,500,000,000 tons of lignite 200,000,000 tons of bauxite according to conservative estimates, and 1,000,000 tons according to more optimistic opinions have been discovered at Ptolemais, Megalopolis, etc. Equally 200,000,000 tons of mixed sulfides have been located with a considerable content of silver at Chalkidiki, and tens of millions of tons of asbestos deposits have been identified in Zidani (Kozani) etc.

To those we can add the recently discovered oil and fuel gas deposits of the Thasos area, as well as the geothermal energy on Milos island, both of which give some hope for the future in this time of high energy costs.

Greece also possesses vast quantities of very good quality marble which comes in a variety of colours.

Further exploration has revealed considerable quantities of ores and minerals such as chromite, perlite, pozzolana (Santorini Earth), emery, bentonite, dolomite etc. In smaller quantities, ores and minerals such as: baryte, silica, kaoline, manganese, iron ores etc., have also been discovered. Apart from these, a beginning has been made towards the discovery of new known and unknown deposits, such as: boric salts, heavy minerals.

Considerable progress has also been made in the geological study and exploration of the country primarily through the creation of geological maps, as well as

with the scientific research carried out in University laboratories and private institutions. Both have provided practical applications of international standards. Furthermore some progress has been made in the study of enrichment methods that makes possible the exploitation of other poorer ore deposits.

## PRODUCTION

The mining production from discovered deposits is operating at a high level. The following examples are characteristic: lignite production is in excess of 25,000,000 tons per year, of bauxite 3,000,000 tons, of magnesite 1,000,000 tons, of mixed sulfides about 1,000,000 tons, of marble 170,000 m<sup>3</sup>, of ferro-nickel ores 2,000,000 tons per year and of oil between 25 and 30 thousand barrels per day.

This production is of considerable volume and the need to increase its value has led to integration. That is to enrichment, metallurgical processing, final products and standardisation.

Another important step has been the application of modern methods already used for exploitation in the more developed countries, and after adapting them to Greek conditions.

## ORE DRESSING METALLURGY AND INTEGRATION

### a) Ore dressing

Greece has progressed considerably in the treatment and enrichment of ore and minerals. Except in those cases it is not necessary, there is no mineral today that is not enriched. Great enrichment installations have been constructed in all the mines for the various ores such as magnesite (Euboea, Chalkidiki) with advanced technology and adequate capacity, mixed sulfides in Chalkidiki, chromites in Skoumtsa and Volos, bauxites in Parnassos etc. Large installations have also been constructed all over Greece for the preparation of marble final products.

There has also been considerable progress in other processing, mainly of asbestos (Kozani), perlite (large installations on Milos), bentonite, kaoline, lignite, marble, and, more recently, of Greek oil in Greek refineries.

### b) Metallurgy

The metallurgy sector is also developing rapidly. At present, Greek metallurgy includes:

- iron and steel production, with two small blast furnaces with a capacity of 800,000 tons and many other plants for steel processing.

- installations for hot rolling with a capacity of 2 million tons (two thirds of which is for long products and one third for plates) and for cold rolling with a capacity of 350,000 tons which is expected to double in a few months.

- A ferronickel metallurgy plants at Larymna, with a capacity of 27,000 tons of nickel which uses Greek nickel ferrous iron ores and has created its own internationally recognised technology.

- Alumina plants of 600,000 tons and aluminium plants of 150,000 tons capacity using Greek bauxite.

- Installations for the production of 80,000 tons of caustic magnesia and 350,000 tons of deadburnt magnesite, with advanced technology.

- Modern cement plants with a capacity of 12,500,000 tons.

- A lead plant at Lavrion with an annual capacity of 18,000 tons.

There is also a ferrochrome plant under construction with a capacity of 30,000 tons which will exploit the country's chromite ores.

### c) Integration

The attempt to promote the vertical integration of the sector, has led to the creation of an industry for finished products.

Large plants for the processing of aluminium produced from the Greek aluminium plants in Aspra Spitia, are now producing aluminium profile and other products.

Plants for finished copper products (for example cartridges) have also been constructed.

It should be noted also that big plants are under construction for the production of final products of magnesite and deadburnt magnesite (bricks).

## EDUCATION

In the field of education and training, faculties for mining and metallurgical

engineering have recently been established at the National Technical University of Athens. These faculties supply both Greek and foreign industry with well-educated engineers. Three geology faculties have been created at the Universities of Athens, Patra and Thessaloniki.

## EXPLOITATION

During the post-war period, a network of six big mining concerns was created. These are the lignite section in the Public Power Corporation, the Skalistiri concern, the Eliopoulou-Kyriakopoulou Enterprises, the Larymna mines, the mining section of the Hellenic Fertilizers Company, the Public Oil Enterprise. Similarly twelve large metallurgy industries among which we can identify (Chalyvourgiki, Hellenic Steel, Aluminium de Grece, Larco, Viohalco, French Company of Laurium mines, the metallurgical section of the Skalistiri concern in Euboea), as well as 4 large cement companies, (Titan, Heraklis-Olympus, Chalkida Cement, and Chalyps), have provided a good part of the country's industrial sector. Many medium and small size companies for the exploitation of various ores, minerals, marble and industrial minerals have also been established.

## STATE ORGANISATIONS

On State initiative, institutions and authorities have been created for the further development of exploration, research, exploitation, technology and for the planning of future mining. Such institutions are:

- IGME (Institute of Geological and Mining Research) which was established in 1976 (as a continuation of the old IGKY) and with a staff of 1,000 person-

nel (280 of which are scientists) and a budget of 1 billion drachmas. Its activity is in exploration, research, development of new technology etc.

- The "Greek Nuclear Energy Committee" which is responsible for the development of nuclear energy.

- ΔΕΠ (Public Oil Enterprise) which has the exclusive responsibility for oil exploration in the Greek territory as well as for cooperation with foreign firms in oil exploration activities.

- ΕΛΕΒΜΕ (Hellenic Industrial and Mining Investment Corporation) which was established in 1975 with the purpose of exploiting the mineral wealth and developing heavy chemical industries.

- ΕΣΕ (National Energy Council) which is responsible for the formulation and implementation of a national policy in this field.

In this brief review I have attempted to outline the work that has been done in the sector. Of course, under different conditions, the progress might have been greater. My aim has been to assess the progress made so far. And under these conditions, the progress has undoubtedly been impressive.

As a result of this progress:

- The country has arrived at a point where 25% of all Greek exports come from the products of the mineral wealth.

- Greece has been accepted as a full member of the EC (some say on account of her mineral wealth).

- Half of the consumed energy is provided for by Greek energy sources (lignite, oil, fuel gases).

- Greece is the only country in Europe producing the strategic alloys ferronickel and ferrochrome from its own deposits.

It is a considerable achievement, and it is to be hoped that future generations will continue this progress more intensively in all the fields of mineral wealth.

## YOUTH HURT WORST AS UNEMPLOYMENT CONTINUES RISE

## One of Five Jobless

Stockholm DAGENS NYHETER in Swedish 18 Oct 81 p 8

[Article by Bo A. Ericsson: "170,000 Youths Unemployed This Year"]

[Text] Before this year is over about 170,000 youths--about one-fifth--will have been unemployed for a more or less long time. According to an AMS [National Labor Market Board] estimate, 30,000-35,000 have been unemployed 2 or more times, and 20,000-30,000 more have had relief work of some kind. At the same time the number of teenagers will reach a record level in the so-called youth hump next year. That will make the competition for jobs even harder than it is today.

There are now 61,000 unemployed youths in Sweden. That is the largest number in present recorded statistics. The situation is the worst for teenaged girls. They have an unemployment rate of almost 16 percent.

Labor market researchers say that despite the high figures, there is a danger that real unemployment may still be underestimated.

For example, a significant number of the youths who are in higher secondary school would prefer to have a job if they could find one. At the same time there are also thousands of youths in relief work.

In all of Western Europe today youth unemployment is a scourge which is getting worse. During every recession since the beginning of the 1970's the level of youth unemployment has increased. The intervening periods of prosperity have only created marginal improvement.

The reason for this is partly that the countermeasures taken were not comprehensive enough or did not work, and partly the long-range changes in the labor market: higher educational requirements, reorganizations, changed attitudes, the gap between school life and working life, increased births, etc.

Altogether, these factors have led to an increased division between those established in the labor market, those who have a job, and those who are on the outside trying to get in--the youths, for example.

In Sweden it seems that youth unemployment has lately acquired several new features:

- No longer does it only hit those who are lacking in education--even youths with a higher secondary education are lining up today at the public employment offices.

- The time of unemployment has become longer--more than one-fifth of the jobless youths today have been unemployed 3-6 months.

- Unemployment has increased in the youth groups--the situation has worsened mostly in the 18-19 age group, while the 16-17 age group is more involved in school.

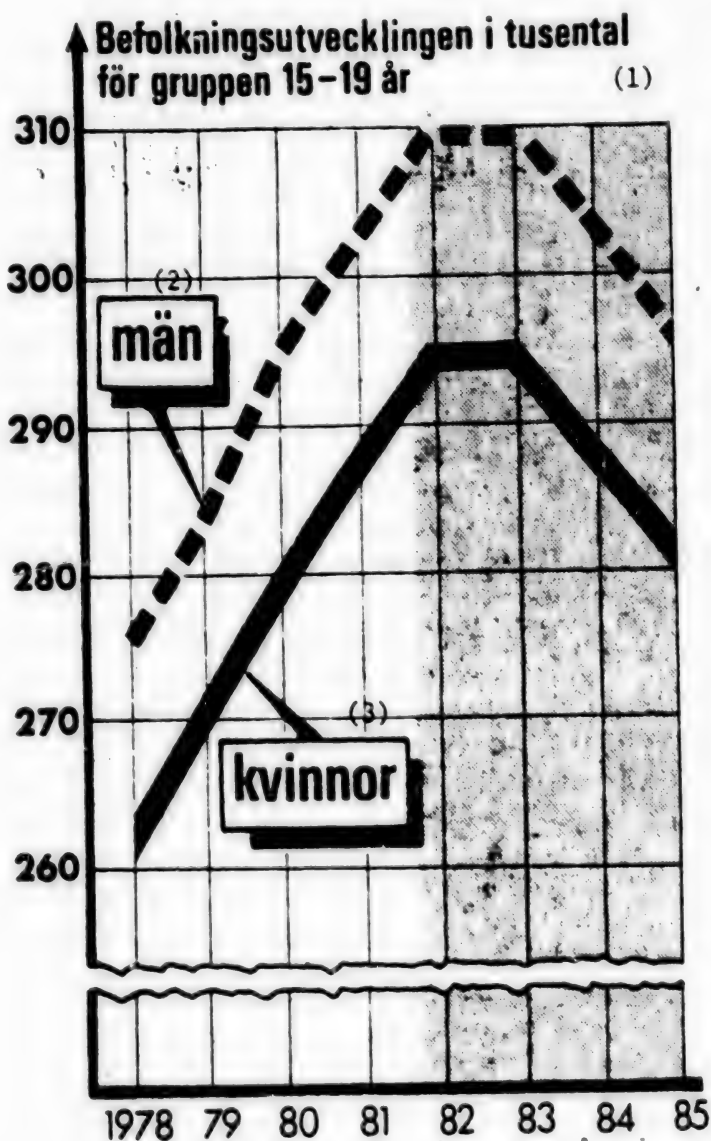
- Unemployment can no longer be controlled by measures such as relief work, because the available resources are not sufficient.

Caption: This is what the teen-age hump looks like. In the next 2 years Sweden will have a record number of youths in the 16-19 age group.

Key: 1. Population growth in thousands for the 15-19 age group.

2. Men

3. Women



## Parties' Youth Wing Leaders Comment

Stockholm DAGENS NYHETER in Swedish 22 Oct 81 p 7

[Article by Bo A. Ericsson: "Party Youth on Subject of New Jobs--'Entire Generation Does Not Believe in the Future'"]

[Text] Abolish the ATP [General Supplementary Pension System] grants for youths under age 25, strengthen the youth guarantee of work or education until age 21. Create a requirement for government-owned businesses to employ apprentices, increase occupational training and put pressure on employers. Expand higher secondary schools, give AMS [National Labor Market Board] the requested billions, create special contact centers for youths... These are some of the measures that political party youths today consider necessary to stop the record youth unemployment. At the same time several youth groups fear that continued high youth unemployment can undermine the confidence of the young in democracy, and risk political extremism and violence.

Stig Malm, deputy chairman of LO [Federation of Trade Unions], said at the LO congress, "For perhaps the first time we now have an entire youth generation which believes that the future can only be worse. For many youths the first experience with the labor market and the adult world is that they are not welcome, they are not needed. This is a dangerous situation.

"We can already see some tendencies. Youth revolts have always expressed themselves with aberrant clothing and appearance. But the serious aspect of today's Sweden is the apathy and antisocial attitudes which are now combined with dyed hair and abnormal dress. Youths do not talk about how they want to change society. Instead they demonstrate a complete indifference which, sooner than we think, can find expression in increased violence, abuse, racism and rioting."

Today a total of 61,000 youths are unemployed. Before the end of this year 160,000-170,000 are expected to have been unemployed for a more or less long time--30,000-35,000 of them 2 or more times.

DAGENS NYHETER asked two questions of the political youth leagues and their chairmen about measures against youth unemployment, and about its effects.

The first question was: "What measures should be taken today to reduce youth unemployment?"

Here are the answers to that question, somewhat shortened.

Gunnar Hokmark, Conservative Party Youth League: "The most important general contribution is to restore confidence in the future and enthusiasm, both in the youth and in business. Therefore, among other things, the threat of employee funds must be removed and the market economy reestablished. To attack the specifics of youth unemployment the following should be done:

"Schools must give training so that young people can take with them useful knowledge to their working life, and must make demands so that they are prepared for the demands of working life. The schools must also offer freedom of choice in education so that school years are stimulating for all.

"The opportunity for trial employment should be increased. Opportunity for apprentice training in businesses should be increased at the expense of different AMS work which is often a dead end. The wage costs of youths should be reduced by lower employer fees for younger employees."

Yngve Sunesson, Center Party Youth League: "The basis must be a general policy for creating employment. Furthermore the areas which are hardest hit must be especially helped by greater tax equalization and increased regional investment. A stronger investment should be made in domestic fuels.

"Local authorities and county councils must take greater responsibility for guaranteeing employment, education or training for youths. The youth guarantees should be expanded to cover all youths up to age 21. In each locality youth centers should be established so that young people's contacts with schools, employment offices and local businesses can function more easily.

"ATP grants for youths under 25 should be abolished. Higher secondary schools should be expanded so that all can get an education and sandwiching of courses should be introduced."

Peter Orn, Liberal Party Youth League: "More jobs must be created, and that demands mainly investments in industry. In order to achieve this some form of employee fund suitable to the market economy is necessary. Additional support for small business is also necessary.

"It is surprising, to say the least, to see how various constructive suggestions risk being torn apart by unrelenting arguments between the political blocs. Therefore unity in politics is one of the most important investments in the future.

Furthermore we must put pressure on the employers. Now they have greater opportunities to introduce apprentice training, among other things. It is immoral for businesses not to take advantage of these opportunities.

"And it is also necessary to expand the higher secondary schools so that they can take in all the youths."

Jan Nygren, Social Democratic Youth League: "Youth unemployment is a consequence of the general employment situation. Society can not, as today, passively watch the development of Swedish industry without taking control through such things as public purchases, investment in research, development, expansion, guaranteed supply of capital and employee influence through employee funds, and ensuring that our basic industries are planned branch by branch.

"In order to correct acute youth unemployment, money is needed. AMS has asked the government for 2 billion, and is getting 400 million! AMS must receive the 2

billion unconditionally. SSU [Swedish Social Democratic Youth League] has presented a program to meet the increasing unemployment among youths which contains a number of concrete recommendations about how local governments can create work and training. Let me only mention the need for higher secondary schools which can take in all who apply, plus the need for relief work."

Stellan Hermansson, Communist Youth League: "We demand that relief work be immediately reinstated, that government-owned businesses be ordered to hire apprentices, that higher secondary education and labor market training be expanded and that the state support local governments so that they can guarantee employment for youths."

"Furthermore housing construction must begin immediately, Swedish industry must be greatly improved with an offensive government industrialization program. To succeed with this and create permanent jobs for youths also requires a struggle against the power of the economic minority and the speculative economy."

The second question asked of the youth leagues was this: "Is there a risk that the increasing youth unemployment in Sweden can also lead to different forms of anti-social activity, political extremism, increased violence?"

Conservative Party Youth League: "Yes, there is a risk of such developments. Work means a contribution to society and a feeling of 'giving satisfaction.' That feeling will not come if one is unemployed. The bitterness which then comes easily is not cured by more jobs in a few years."

Center Party Youth League: "Sweden has a tradition of settling conflicts without violence, and the youth leagues can play an important role in guiding the natural feelings of hopelessness and powerlessness of the unemployed youths to constructive work in obtaining employment, for example by starting up cooperative businesses."

"Often youths which are active in organizations find it easier than others to get jobs, and that is why it is an important task for the youth leagues to bring the unemployed youths into their activities."

Liberal Party Youth League: "Working together with others is the foundation of mankind's self-esteem. Now a tragedy threatens to take place before our eyes: that an entire generation of youths is going out into the adult world with a feeling of hopelessness and apathy."

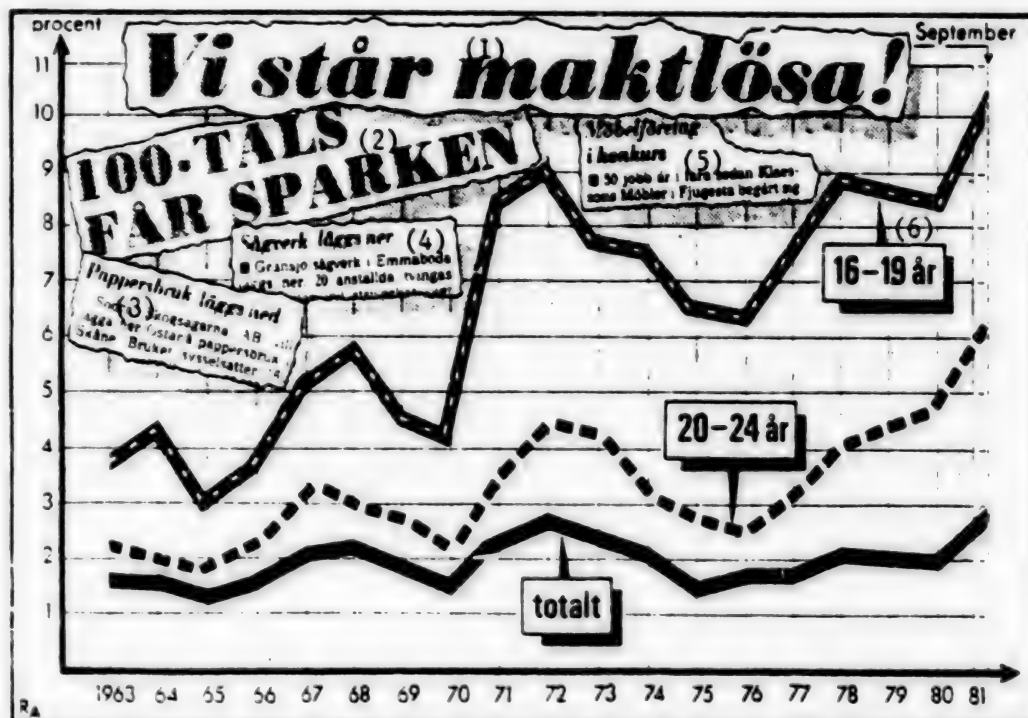
"This is threatening to undermine their confidence in the opportunities in a democracy to create conditions for a meaningful life. This has happened throughout Europe. We see the results partly in the form of frightening terrorism, partly in the form of increasing youth brutality as a meaningless way to express protest. It should be a warning to Gosta Bohman and others who would use unemployment as a means of rebuilding the economy."

Social Democratic Youth League: "The answer is emphatically yes! A hardening labor market can lead to such reactions. England is an example of what can happen when policies fail and prove to be incapable of solving the problems of the people."

"But it should be sufficient to point out what unemployment means for individuals in the form of social and economic problems. To lose one's job and working comrades, to perhaps be forced to move to a new social environment is argument enough to demand full employment."

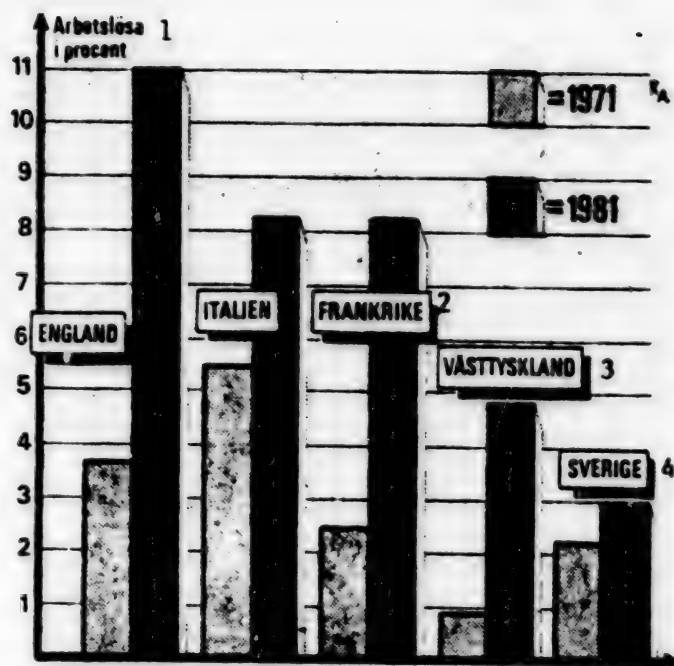
Communist Youth League: "The risk of problems with the youth in Sweden is a dominant threat of the 1980's. Joblessness and housing shortages, commercialization of leisure time in combination with social disarmament can certainly lead to a youth revolt of the type that we see today on the continent."

"We are working now together with VPK [Left-Party Communists] to create a 'Youth Alternative for the Future'--a program which shows that there is an alternative to passivity, melancholy and apathy."



Caption: These are the curves which are frightening. It is the teenagers who today have the highest percentage of unemployment. Teenage girls, the hardest hit group, reached almost 16 percent last month. Youth unemployment exists today in all industrial countries, and has increased each year since the beginning of the 1970's.

- |      |                        |                               |
|------|------------------------|-------------------------------|
| Key: | 1. We are powerless!   | 4. Sawmill closes             |
|      | 2. Hundreds are fired. | 5. Furniture factory bankrupt |
|      | 3. Paper mill closes   | 6. 16-19 years                |



Caption: The total unemployment in Sweden is lower than in most Western European countries. But at the same time there is hardly any other European country which depends on AMS measures as much as Sweden. Without these, Swedish unemployment would probably be about twice as high as it is today. The youth share of unemployment is almost half of the total.

Key: 1. Unemployment percentage  
 2. France  
 3. West Germany  
 4. Sweden

#### Virtually All Industry Sectors Affected

Stockholm DAGENS NYHETER in Swedish 27 Oct 81 p 10

[Article: "Jobs Decline Throughout Industry"]

[Text]Almost all branches of Swedish industry expect further reductions of personnel during the next 6 months. This was announced by the final business barometer published by the Institute of Economic Research on Monday. The largest reductions of personnel are expected in the lumber and cement industries.

Swedish industrial activity declined more than expected during the third quarter. That applies both to production and orders received. Mainly it was orders from the domestic Swedish market that declined more than expected.

In their judgment of the future the firms do not expect any large changes. It should be pointed out, however, that the barometer's survey was published before the devaluation and the other economic-political measures.

Even before the devaluation industrial firms showed a certain optimism over the question of orders from abroad. A number of heavy industrial firms expect more frequent export orders. This includes parts of the manufacturing industry and the iron and steel industries.

#### Good for Automobiles

The forestry industry, however, is more pessimistic about orders. Especially pressing is the situation within the lumber industry, where the order situation in September was the worst in many years. In the lumber industry restrictions on production are expected in more than half of the firms, and two-thirds of the firms report risk of reduced operations during the winter. Sawmills and carpentry shops are the worst hit.

One bright spot in the barometer is in the transportation (automobile) industry. Here the firms expect increased orders and increased production during the next 6 months.

The transportation industry is also the only industrial branch which does not expect reduced employment during the next 6 months.

The employment plans of industry are altogether negative. Within the forestry industry, for example, a reduction of both workers and officials is expected during the fall and winter.

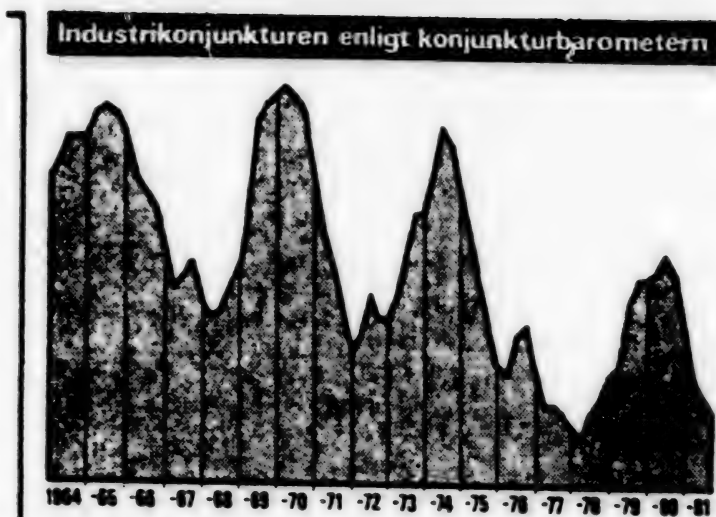
The heavy manufacturing industry hopes for an increase of export orders. And for the domestic market the barometer shows hope that the decline in orders will ease during the fall. Production plans for the manufacturing industry show, however, largely unchanged production and some further reduction in the number of employed.

#### Shipyards Weak

The shipyard industry expects continued decline in orders during the remainder of the year. During the first half of 1982 the shipyards expect, however, to have unchanged production compared with the same period of this year.

The textile and clothing industry expects a certain decline in production during the first half of 1982, and employment will decline. Personnel reductions have been announced for both workers and officials.

The chemical and plastic industry expects increased orders from abroad. It is mainly the chemical firms which are positive on the matter of export expectations. A certain increase of production is anticipated, but employment will still go down.



Caption: Industrial Activity According to the Business Barometer

9287

CSO: 3109/31

## EUROPEAN PACIFISM: GROWTH, RATIONALE, ALLIANCE THREAT

FRG: Anti-Reaganism; Church; Ecologists

Paris LE MONDE in French 20 Oct 81 p 7

[Article by Claire Trean]

[Text] West Berlin--The premonitory signs had been increasing for a year. The arms race was becoming a topic of debate, especially among the Socialist youth organizations (the "Jusos"). The list of signatures was growing at the bottom of the "Krefeld Appeal"--a document on behalf of disarmament that was drawn up last November by the German Peace Union (DFU), whose ties with communist groups are no secret from anyone. But it was in June, during the Evangelical Church Congress, that the movement's real kickoff occurred. That church meeting immediately turned into a political forum. It booed Minister of Defense Hans Apel while 100,000 people demonstrated in the streets of Hamburg at the behest of the Protestant young people's peace committees.

From that point on, there has not been a single institution that has escaped pressure from its rank and file to take a stand. There is talk of peace--or of what is now being viewed as its antithesis, the arms race--in the newspapers, schools, churches, unions, and political parties. Retired generals are adding their voices to the concert. Chancellor Schmidt has been compelled to engage in an exegesis of the Sermon on the Mount from the New Testament. Sections of the DGB--the powerful German Trade Union Federation--are drawing up plans for converting the arms industry to civilian production.

On 13 September--another high point in the movement--70,000 people gave General Haig a tumultuous welcome in the streets of West Berlin. "It is only a minority," said President Carstens. In any case, the crowds of Berliners who were acclaiming Kennedy 18 years ago stayed home. In the SPD [Social Democratic Party of Germany], some of the troops are champing at the bit, and acts of insubordination toward the chancellor are increasing among the staff. The "Friedensinitiative" (peace committees) now number in the hundreds and reach into the most remote rural areas, and there are dozens of disarmament petitions because of the desire not to be associated with the Krefeld Appeal, which is too marked by its origins. The major weeklies are participating in the orchestration, some by printing maps of the "secret" NATO missile installations, others by printing front-page headlines on the "programmed hell" or the beginnings of World War III. The windows of leftist bookstores, once filled with theoretical works

dissecting Marxism or the consumer society, now display brochures with such edifying titles as "Building Peace Without Weapons," "Better Red Than Dead," and "Can World War III Be Prevented?" Fear has unquestionably cemented the movement as a result of the idea, suddenly revealed to Germany, that it could be chosen as the field of confrontation between the superpowers.

#### New Wind From the West

The decision to deploy Euromissiles dates from 1979, and at the time it did not arouse public protest. All or almost all the components of the movement were, however, already present in West German society: 1) an antimilitarism as old as the FRG that provides the--very numerous--troops of conscientious objectors; 2) a Protestant Church which is pacifist in the theological sense but which now--because it did not speak loudly enough during Germany's dark hours--is willingly embracing militant action; 3) masses of young people for whom West German normality does not offer many occasions for excitement and who have become politically disenchanted by 10 years of leftism; and lastly, 4) the economic austerity into which the FRG has just entered and which provides additional vindication for those wanting to increase social expenditures at the expense of military spending.

The new tone in Washington was all it took for the movement to become aware of itself and begin recruiting supporters from ever-widening sectors of the population. The FRG was belatedly discovering that medium-range missiles in Europe would enable the United States to destroy Soviet targets without the danger of a counterattack on its own territory. The savior--the U.S. ally--was suddenly becoming the possible source of calamity.

Anti-Americanism? No, anti-Reaganism, is the unanimous response from the ranks of the pacifists. Relations between Bonn and Washington were already somewhat strained during President Carter's time. But in the public's mind, a strong desire for independence has replaced a carefully maintained distance. Reagan's extolling of an uncompromising and tough United States has awakened the anti-Americanism that had been the battlehorse of the leftists during the 1960's. Moreover, Reagan's language and his Manichaeian view of the world are no longer acceptable to those West Germans who have specifically benefited from the Ostpolitik in their relations with the GDR. Even if they do not dispute the fact of Soviet military supremacy, it is not there but in Washington's language opposing it that they see the source of a possible conflict. The U.S. decision to produce the neutron bomb has reinforced their fears.

In view of those circumstances, General Haig could hardly expect a warm welcome in West Berlin. One of his remarks--"There are things worse than war"--was the final exasperation. It is still quoted in pacifist circles as an example of unbearable arrogance. As paradoxical as it may seem in West Berlin, the United States is no longer regarded as the protector by a strong current of public opinion, which no longer intends to be lectured to by Washington.

"Everyone by his own Hearth"

In the same city, but on the other side of the wall, the party daily devotes its entire front page to fulsome praise of the demonstrators in the Western Sector, who are not bothered by it. Does this indicate thoughtlessness or misunderstanding? In

any case, the communist bogeyman has faded away remarkably. For the supporters of the "alternative movement," old-fashioned anticommunism has had its day. Having become allergic to ideologies, the alternative movement that grew up under the Berlin Wall has developed an "everyone by his own hearth" mentality that it attributes to the other side as well. For the alternative movement, Afghanistan is as far away today as Vietnam was close, 15 years ago, for the student movement.

Participation in the peace demonstrations by the DKP [German Communist Party] or other movements of communist allegiance worries the leaders of the churches and the parties more than it does the rank and file. Pastor Albertz, a former SPD mayor of West Berlin, says: "Their motives are not ours, but what does it matter as long as we are seeking the same goal?" He draws attention to the very weak numerical strength of West German Communists and alludes to the virtue of tolerance. In the SPD, the supporters of disarmament keep their distance from the "K" [communist] groups but demonstrate side by side with them. The party leadership, concerned to preserve party unity as far as possible, has so far avoided excommunications of its members.

The Protestant organizations are unquestionably the spearhead of the movement. Men like Pastor Albertz in West Berlin or Pastor Eppler, who is a member of the SPD Presidium in Bonn, represent them in the political institutions. The debate has been less clear-cut on the Catholic side, where the hierarchy sticks to the principles expressed in Pope John XXIII's encyclical "Pacem in Terris." But the Pax Christi movement and the 650,000 members of the Catholic youth organizations did not wait for episcopal blessing before jumping into the movement.

Theological arguments aside, two major groups are taking shape: one going beyond the rejection of Euromissiles to advocate the denuclearization of the FRG or of a part of Europe, and the other hoping--while also protesting the continuing of the arms race--for a redefinition of the FRG's defense policy within the framework of the Atlantic Alliance.

The first group includes the ecologists, who constitute the most highly structured group in the alternative movement and whose fight against military nuclear power is a logical consequence of their fight against civilian nuclear energy. The movement's considerable experience and its ability to mobilize a wide range of public opinion on specific issues through the "Buergerinitiative" (action committees) have been a considerable asset to the peace movement. Its rejection of nuclear weapons is total, but for the moment, that rejection is not accompanied by an equal effort aimed at formulating any alternative proposals, as it is in the case of nuclear energy.

In other sectors of the alternative movement, the political talk of the blocs is rejected outright. Refusing to argue about East-West relations, these groups simply point to the "immeasurable absurdity" to which those relations have led the world. These people believe in the advent of an authentic way of speaking that will be of the people rather than the politicians. When asked if that is not a naive illusion, they answer that they are militant supporters of a "concrete utopia" and that everything accomplished in West Berlin by the alternative movement seemed impossible at the beginning.

Close to that feeling are certain leftwing intellectuals who point out that one cannot simultaneously want peace and help pile up weapons that carry within themselves

the threat of annihilating the planet. Revealed in their words is the outline of a neutralism that is recurrent in the FRG's history.

As far back as 1968, Egon Bahr, who was then an official in the Ministry of Foreign Affairs, was devising, like others before him, a plan for the dissolution of the two alliances and their replacement by a security system for Central Europe. That scenario would have led to the reunification of Germany. For most of the apostles of a denuclearized Europe (whose contours, incidentally, are vague), disarmament today must be unilateral, and the FRG must be the pioneer.

Others, less ambitious, reject the name of pacifists. Like General Bastian, they hope to limit defense capabilities to the strict minimum and challenge the equilibrium theory, which says that deterrence cannot work except within a balance of power.

#### Splits in the SPD

The last SPD Congress endorsed the deployment of new missiles only on condition that the SALT 2 agreements be ratified and that negotiations on medium-range weapons in Europe be undertaken by Washington and Moscow. Very quickly, however, as a result of changes in the international situation and the absence of any foreseeable progress on the second point, party members of Parliament such as Karstens Voigt were asking that the debate on the NATO decision be resumed. A gap gradually developed in the rank and file between traditional Socialist militants--oriented toward trade union action--and those who, along with other leftwing forces or the church movements, were committing themselves to disarmament. Deputy Oskar Lafontaine disputed the idea of Soviet military supremacy. And in the SPD Presidium, Erhard Eppler proposed that the deployment of new missiles be postponed until the conclusion of East-West negotiations. Party Chairman Willy Brandt, while trying to check the two extremes, claimed to support the policy of detente and let it be known that that policy was jeopardized by the government's defense policy.

Brandt was the architect of detente and also father of the integration policy within the SPD that enabled the party to co-opt part of the extraparliamentary protest of the 1960's. Today that same policy could enable it to co-opt part of the pacifist protest. Schmidt matches that--especially on the issues of defense and energy--with an authoritarian attitude that is becoming increasingly irritating within the party. This conflict between the two men on the nature of social democracy will be superimposed on the Euromissile issue during the congress in Munich next April.

A vote of distrust in the chancellor on this issue would be suicidal for the Social Democrats. The reason is that the coalition's survival depends on the ability of the liberal party (the FDP [Free Democratic Party]) to tolerate the SPD's leftwing. While the young democrats and some leaders of the SPD--such as Borm--have joined the movement against Euromissiles, they can count on scarcely one-third of the liberals to stand up to a leadership that is standing firm on implementation of the NATO resolution.

For their part, the Christian Democrats cannot remain indifferent to the peace movement, if only because of the role being played in that movement by the churches. The recent proposal made to Washington by Mayor Von Weizsaecker of West Berlin that it give up the idea of deploying neutron weapons in exchange for the withdrawal of Soviet

tanks from the GDR demonstrates a degree of sensitiveness by the most liberal wing of the CDU [Christian Democratic Union] to the disarmament movement. It is obvious, however, that a coalition between the liberals and the CDU would not contemplate challenging the NATO resolution on Euromissiles or even modifying it. If the coalition were to collapse, it would be suicidal for the SDP, but it would be even more so for the opponents of those weapons.

Will the Social Democrats go that far? Some members--Pastor Albertz, for example--hope to continue the fight, even at that risk. And after the spring congress is held, another question is waiting: will the peace movement experience the same ephemeral career as its predecessors, or is the wave such a ground swell that any government in the future will have to take it into account?

#### Great Britain: Unilateralists Gain

Paris LE MONDE in French 21 Oct 81 p 7

[Article by Daniel Vernet]

[Excerpt] London--They are still there, perched on their soapboxes in a corner of Hyde Park and preaching nonviolence, announcing the end of the world, or denouncing the atom bomb as the last metamorphosis of the Antichrist. But pacifism is not only an argument for Sunday orators: it is a very strong feeling, expressed or latent, that runs through all segments of British society today as it did before World War I and World War II.

It is not a fringe movement as it is in other European countries, and it involves more than just small extreme leftwing political organizations or small nonviolent groups whose ideals attract more friendly feeling than support among the mass of people. It is institutional pacifism in the sense that it is the quasi-official doctrine of major parties and respectable movements. The fact that certain official institutions have taken pacifism under their wing no doubt explains why street demonstrations against the presence of U.S. rockets have so far not been as widespread in Great Britain--even though Great Britain is concerned in the highest degree by cruise missiles--as they have in its neighboring countries on the continent.

Pacifism, neutrality, and anti-Americanism: although the debate centers on that trilogy, it is not presented in exactly those terms. Here it sets the "unilateralists" against the "multilateralists"--that is, those supporting unilateral disarmament by Great Britain, or even the West in general, and the advocates of international negotiations which would make it possible, through reciprocity agreements, to lower the threshold of military confrontation between the two blocs.

In that sense, the debate is even more radical than elsewhere. The unilateralists are reviving a very British tradition and are not impressed by arguments advanced by people like David Owen, former secretary of the Foreign Office, who recall that before 1939 such a policy was called appeasement and that on the eve of the Munich meeting, the pacifists wore badges proclaiming "War we say no."

By presenting himself as an "inveterate and incurable pacifist," Michael Foot received an ovation from the Labor Party Congress, which this year, following the unions

and the Liberal Party, confirmed its stand in favor of unilateral nuclear disarmament. The defense policy has been one of the most controversial issues within the Labor Party ever since 1945. Today Labor wants to revive the campaign of the 1950's, when it demonstrated with shouts of "ban the bomb." Helped on by the economic crisis, the slogan has changed: "Work, not bombs" is the cry proposed by the party spokesman for international affairs, who feels that the Labor Party must become "the political instrument of unilateralism."

The pacifist wave has also won the field in the union movement, which feels that in this period of economic crisis, the government has better things to do than invest billions in the arms industry. The unions are naturally concerned to protect employment. But they are proposing a plan for converting industry, creating new civil service jobs, and increasing investments in public facilities. Japan's example leads them to feel that the countries spending the least on defense are the ones that experience the highest productivity and beat all export records.

#### Morality and Fear

The stands in favor of unilateral disarmament have more than a mercenary aspect, however. Their prime dimension is moral. Great Britain must not participate in that "immoral" action which consists of destroying "thousands of innocent civilians in other countries at the press of a button," explains the chairman of the Labor Party peace movement. The country will increase its credit in the eyes of the world by setting an example, if only by giving up this or that type of nuclear weapon or refusing to allow U.S. cruise missiles on its territory.

The churches are not insensitive to those arguments. None has taken an official stand on behalf of unilateral disarmament, although the secretary of the Methodist Conference has publicly--but speaking only for himself--supported it. But the Catholic and Methodist press is opening its columns to debate between readers on the subject. In the official Anglican Church, there is pressure in the same direction from the rank and file. The Council of Anglican Churches has already said that "the doctrine of nuclear deterrence based on mutual destruction is shocking to a Christian conscience."

Noble sentiments are not the only thing at issue. The fear of being the preferred target in a nuclear confrontation plays a not inconsiderable role in the hope--or illusion--that the country can sit the game out. The decision to deploy new U.S. medium-range rockets in West Europe and former President Carter's Directive No 59 on nuclear war have obviously revived the discussion concerning Europe's place in the balance of power and the strategy of deterrence. One young Labor Party member says: "If the cruise missiles are to be used at the 11th hour, we will not live to see the 12th hour."

And another adds: "They told us in the 1960's that we had to accept the bomb because its effects were so horrible that no one would dare to use it. And now the Americans are talking in earnest about using it in a limited nuclear war--limited to Europe, naturally." The unilateralists present another practical argument against the multilateralists when they say that the negotiations conducted over the past 20 years or so have not led to any results because no one trusts the others and each one is waiting for his neighbor to take the first step. The Labor Party peace movement feels

that to break that vicious circle, one nation must have "the courage and good sense" to agree to a small reduction in its armaments and continue in the same direction if the other side responds in kind. Professor Thompson, who is one of the most prominent leaders of the Committee for Nuclear Disarmament in Europe (working in close collaboration with the Bertrand Russell Peace Foundation), feels that unilateralism is itself based on "reciprocity." He admits that if NATO gave up its Pershing 2's and cruise missiles and the USSR did not instantly halt the deployment of its SS-20's before reducing their number, "the unilateralist movement in the West would lose all popular support."

#### Dismiss Both Superpowers

The reasoning involved is based on a very great distrust of the United States and a sometimes idyllic view of Soviet policy. The spokesman for the Transport Union explains: "Nuclear deterrence is neither credible nor independent." It has little regard for the sovereignty of Great Britain, which has become a plaything in the hands of the Americans, since they can unleash a nuclear holocaust from British territory without asking anybody's permission.

The hardliners draw from that a conclusion which does have logic in its favor: Great Britain must withdraw from the Atlantic Alliance's integrated military organization. In support of their thesis, they sometimes refer to the example of General De Gaulle, forgetting that France's withdrawal from NATO was followed by an unprecedented defense effort. The Labor Party, which rejected withdrawal from NATO by a very strong majority, proposes no defense policy other than the unilateral gesture that will so impress the Soviets that it will induce them to reduce their own arsenal.

The majority of the Labor Party's members undoubtedly "have no illusions about the totalitarian nature of the communist regime," but they see the Soviet Union entangled in its own difficulties and incapable of thinking beyond the frontiers of its empire. One out-and-out unilateralist explains: "Brezhnev has too many problems at home for him to want to invade Great Britain." And Tony Benn, leader of the Labor Party's leftwing, points to the example of Poland: it has no need of U.S. bases on its territory to resist the USSR.

Strong in that certainty, British unilateralists dismiss both camps. Professor Thompson says in substance: "We are caught between two military machines, and we don't have to choose one over the other." It is he who produces the most coherent if not the most convincing alternate policy. He wants a neutralist Europe which he prefers to call "independent" and "nonaligned." According to him, that hope is common to trends of opinion running through all the political parties, and it is winning approval from an increasing number of Britons. Beyond the "abstract debate" between unilateralists and multilateralists, it is necessary to work for a real and immediate disarmament in Europe by creating small denuclearized zones that might gradually spread in order to "push back" both superpowers and force them to negotiate, he says. The small and medium-sized nations of West and East Europe would thereby gain in autonomy. Also according to Professor Thompson and his Committee for Nuclear Disarmament in Europe, that goal could be achieved through an alliance between the pacifist movements in the West and the human rights movements in the East.

When asked about the Labor Party's unilateralist stands just prior to the latest Franco-British summit meeting, [French Minister of External Relations] Cheysson said: "Meaning that Great Britain would no longer be one of the foundations for defending our civilization? That it would be indifferent to what happens to the others? I cannot imagine that." There is no doubt that if the Labor Party came to power, it would moderate its position by seeking, as Michael Foot is doing, to take the "multi-lateralist" decisions by the Socialist International as its model. The fact remains, however, that in a Great Britain which glories very little in its own deterrent force, the temptation to pull out of the nuclear game between the superpowers is widely shared, even if it is not usually expressed in the street.

#### BENELUX: IKV Pressures

Paris LE MONDE in French 22 Oct 81 p 7

[Article by Claire Trean]

[Excerpt] The Hague--In a small building in a quiet neighborhood of The Hague, Mient Jan Faber, the young secretary of the Interchurch Peace Council (IKV), is redesigning the world with all the assurance of a speaker hardened to questions from skeptics. He says that it is necessary to "recolor Europe," see to it that the approach to the continent is more "relaxed," and leave "bipolarism" behind. The IKV's message to the European peoples is this: do it yourself--assume your responsibilities the best way you can, wherever you are. There is bustle at the organization's international secretariat, which is awaiting a visit by U.S. senators, preparing for the arrival of representatives of the East German Evangelical Church, preparing to send a delegation to the big peace demonstration in Bonn, and organizing a sort of twin-city program with British local governments that have joined together in the "free your own village" movement to oppose the deployment of any nuclear weapon on their territories. M.J. Faber remarks in passing: "From the French side, despairingly enough, there is nothing."

Active preparations are also underway for the big rally in Amsterdam on 24 November, where the Dutch Government will be asked to flatly reject the deployment of 48 cruise missiles in the Netherlands. Participation in that rally alongside pacifist organizations, whether church-related or not, by the small extreme leftwing parties and also the Socialist Party, Left Radicals from Democrats '66, and, on an individual basis, members of the CDA (Christian Democratic Appeal), gives one an idea of the impact of the peace movement in this country. Those three parties were part of the government which was formed in September following over 3 months of difficult negotiations but which resigned on 16 October because of disagreements on economic matters. At the request of Queen Beatrix, the same three parties are currently trying to reach new agreement on the formation of a government so as to avoid calling the voters back to the ballot box.

Established in 1966 by nine churches and financed by them, the Interchurch Peace Council has done its work so thoroughly that it is on the point of winning its battle of the Euromissiles. In 1977, the IKV launched a campaign on the theme "Nuclear weapons out of the world, beginning with the Netherlands." It had considerable success right from the start.

The debate on the neutron bomb was beginning at almost the same moment. The IKV shifted its gun to the opposite shoulder--so to speak--and strongly challenged the idea that the new weapon was usable. It gave the movement a new boost 2 years later in response to the NATO decision on medium-range systems and challenged nuclear deterrence as such, and this time it had the support of the majority of the Dutch. A big step had been taken since 1962, when the Reformed Church--the largest in the Netherlands--had condemned the use of nuclear weapons while refraining from any references to their possession.

Those successes have brought some violent attacks on the peace movement. In statements to the American press, one prominent expert on international relations described it last spring as a contagious and shameful sickness that he named "Hollanditis" to show that the focus of the disease was specifically Dutch. More recently, Joseph Luns, (Dutch) secretary of NATO, accused the IKV of being financed by Moscow and produced a few lines from a CIA report in support of his statements. The affair raised such a hullabaloo that the minister of interior intervened to cut short what he called "slander" and to defend movements of the IKV type, which, he said, "constitute an enrichment of Dutch parliamentary democracy."

As for "Hollanditis," it has spread and become "Europeitis" to such an extent that those who had dug back as far as the 17th century to find the disease's source in the neutralist or Calvinist tradition of the Netherlands have been brought down a peg. Lutheranism and Catholicism have proven themselves on this point over the past few months, particularly in the FRG.

With or Without NATO?

The fact remains that by nature, pacifism is somehow "easier" in the Netherlands than elsewhere. A small country that no longer really claims to weigh very heavily in the concert of nations, especially when it comes to relations between the two big powers, the Netherlands also finds it easier to take liberties, whether it is a matter of condemning human rights violations in the East or of keeping its distance from NATO. Samuel Rozemond, deputy director of the Netherlands Institute for Security Questions (NIVV), adds: "We are on the second strategic line, with the result that we can allow ourselves a few gaps in the hope that others will take charge of defending us."

M.J. Faber uses his country's small size as his starting point for defining Dutch pacifism: "If the Netherlands opted for nuclear disarmament, the international military situation would not change much. On the other hand, it would be very important from the political standpoint, because it would indicate a new direction. We are not putting all European countries into the same basket, and we are not fighting, for example, for the denuclearization of Germany. All we are trying to do is to help the peace movements in the FRG promote a second phase of detente."

The IKV leader continued: "This peace movement must be bivalent. We do not want a Soviet future, and the applause we get from that quarter disturbs us. But we want to get out of the system of blocs. We support both Solidarity in Poland and the opponents of the arms race in West Europe."

The issue of membership in NATO is rarely raised publicly by the movement's various components, whether the IKV, the "Stop the Neutron Bomb and the Arms Race" group established by a few members of the Communist Party in 1977, or the Women's Peace Movement, which represents all the women's organizations from the most conservative to the most feminist. But that silence is due to tactical considerations, because the movement does not want to disconcert centrist opinion. Rozemond says: "The fact is that if we reject NATO's military strategy and the deterrence system, there are few arguments left for remaining in the Atlantic Alliance."

#### "Joop Atom"

For 2 years that issue has been at the center of debates within the Socialist Party, where continued membership in NATO continues to be approved, but only by an increasingly fragile majority. The fact that many members of a party that is more intellectual and less worker-oriented than in the past now belong to the IKV has made itself felt. Before last May's elections, party leader Joop Den Uyl was so afraid that a majority of his troops would vote for total and unilateral nuclear disarmament by the Netherlands that he laid his position heading the list on the line. The only thing he gained--besides the nickname "Joop Atom"--was that the party finally accepted, at least temporarily, the continued presence of some nuclear weapons in the Netherlands, but flatly rejected Euromissiles.

During the NATO meeting in Brussels in 1979, the previous Dutch Government had adopted a delaying tactic that was also employed by Belgium: approval in principle of modernization, but postponement of any decision on the deployment of new missiles. Officially, the delay was intended to give the East-West negotiations time to succeed. But in fact, Prime Minister Van Agt was not in a position to accept the NATO resolution as it stood, even though he personally favored it. A dozen or so Christian Democratic members of Parliament had voted with the leftwing opposition in favor of a motion condemning Euromissiles. Van Agt, who had not succeeded in putting his point of view across when he headed a center-right coalition, was even less able to do so at the head of a center-left government formed on 11 September with the Left Radicals and the Socialists.

The CDA is divided between those loyal to the resigning prime minister and those of its members who either maintain contact with the IKV or are more or less receptive to its ideas. It is vital to the CDA that it appear as the center party, so it will not take a stand. The attempt begun by the preceding government to get out of the impasse by replacing its more positive attitude toward Eurostrategic weapons with a reduction in the number of short-range weapons--considered less dangerous--was compromised by Socialist participation in the new coalition. For its part, Democrats '66, which is strongly influenced by the peace movements, differs from them only in that it wants to work for gradual disarmament within NATO rather than outside it. Its current position has three points: no "for the moment" to the abandonment of strategic weapons, no "for the moment" to Euromissiles, and yes to the withdrawal, unilaterally if necessary, of short-range weapons.

Whoever he is, the prime minister will have the difficult task of announcing the Dutch decision to NATO in December. A positive response to the deployment of cruise missiles is out of the question. For their part, the peace movements are asking for a negative stand not only on deployment but also on the very principle of modernizing medium-range weapons.

Under such conditions, it is almost certain that the head of the government will simply propose a new postponement of the Dutch decision. If the Allies were to manifest impatience, they would only be precipitating a negative decision that would, for one thing, have repercussions on the SPD Congress in Munich next April. Rozemond says: "The government will play for time, probably on the pretext that the United States has not yet produced those weapons and must in any case deliver them to Italy and the FRG before placing them in the Netherlands. If a coalition of Socialists, Christian Democrats, and Left Radicals continues, no decision will be made before the spring of 1985. Even supposing that the following government accepts the principle of missile deployment around 1986, it would still take at least 2 years to get the bases ready."

Beyond that quasi-victory by the pacifists, the thing that may be more important in the long run is the social phenomenon behind it: the new awareness by the majority of the Dutch that they would not survive a nuclear conflict if deterrence were to fail. Deputy Krohnstamm (Democrats '66) says: "The decisions regarding armaments and security have become democratized to some extent, thanks to the activity of organizations such as the IKV or the media. But as awareness of our possible nuclear fate has grown, fear has also grown. Now we are on the tightrope: how long can people live with that fear? How long can the politicians make decisions? I am afraid that if another defense system or another method of dialogue with the East is not found, the rope is eventually going to break in the years to come."

#### Scandinavia: Denuclearized Zone

Paris LE MONDE in French 23 Oct 81 p 7

[Article by Alain Debove]

[Text] The preceding articles have analyzed the successes of the pacifist movement in the FRG, where the current campaign is jeopardizing the unity of Chancellor Schmidt's Social Democratic Party; in Great Britain, where the supporters of unilateral nuclear disarmament are gaining ground; and in the Netherlands and Belgium, whose governments are quite incapable of reaching a decision on NATO's Euromissiles. Scandinavia is not directly concerned by that decision, but it nevertheless plays an important role in the "peace movement."

Stockholm--Former Swedish Prime Minister Olof Palme told the 28th Congress of the Social Democratic Party in Stockholm on 27 September: "The peace militants are not swarms of men and women living in a dream world. There is absolutely no reason to disappoint or sideline a movement of popular opinion that is being expressed throughout Northern Europe in favor of a denuclearized zone.... On the contrary, political leaders must get in step with public opinion and try to find solutions to the problems related to the establishment of a denuclearized zone in our part of the world. This people's mobilization plays a decisive role in making it possible to stop the arms race." At the conclusion of a lengthy debate on peace and disarmament, the some 300 delegates stood to sing a pacifist song: "Last night I dreamed a dream I had never dreamed before. I dreamed of a world without soldiers, a world without guns."

Palme, who hastens to say that he is not a "pacifist" and that he remains a "supporter of armed Swedish defense," did not get involved in such questions until just recently. Perhaps that is because he is sensitive to the ideas developed by Willy Brandt and Finland's Kalevi Sorsa within the Socialist International, and also because he heads the International Commission on Disarmament and Security Issues (ICDSI), which includes representatives from the East and the West. Perhaps also because the pacifist movement is gaining ground throughout Scandinavia and within his own party, where some important members feel that Sweden should set a "good example" by taking unilateral action for disarmament, halting sales of military equipment abroad, and preparing to convert military personnel and research to civilian pursuits.

The fact remains that the pacifist wave reflects a real concern in Northern Europe, even though the area has been regarded as the most stable region in the world since the end of World War II. Growing numbers of Scandinavians are discovering that the Nordic equilibrium is very fragile and that their respective territories will undoubtedly not be spared if there is a new conflagration, since both superpowers are showing a growing strategic interest in the circumpolar region. But that feeling is expressed in different ways, depending on whether one lives in Oslo, Copenhagen, or Stockholm.

#### Wave of Anti-Americanism

Denmark and Norway are members of NATO but do not allow foreign troops or nuclear weapons to be stationed in their territories in peacetime. Along with Turkey, Norway is the only country in the Atlantic Alliance to share a border with the Soviet Union. Kirkenes in the extreme north is only about 100 kilometers from the base at Murmansk.

A wave of anti-Americanism is occurring in these two Scandinavian countries. That feeling was quite weak during the Vietnam War, but it took on new life with NATO's decision in December 1979 to deploy new missiles in West Europe, and it increased later with the announcement that the neutron bomb would be produced. Membership in the alliance is being challenged here because it does not provide a real guarantee of security, as many thought it would. The small countries, say the pacifists, are hostages and pawns at the mercy of the military blocs.

Some Social Democrats in Denmark belong to SAM--the association of Social Democratic antimilitarists. Others have set up the Never Again War movement. One of its organizers is Deputy Jytte Hilden, who says that the only way to prevent war, especially for the small states, is to establish better cooperation between peoples. She says: "We must get to know each other better. The Russians and the inhabitants of the countries in the East want peace as much as we do."

In Norway, a former Labor Party minister and diplomat, Jens Evensen, caused a great uproar in the spring of 1980 when he sharply criticized the Oslo government's decision to permit the stockpiling of U.S. military equipment on Norwegian soil to facilitate intervention by a brigade of 10,000 Marines in case of conflict. He wrote: "It is necessary to put an end to this. The superpowers have no right to determine our future.... Our governments must clearly explain to them what we expect from them. We small countries have a special responsibility. We must create a suitable climate

for the start of new dialogues. Many people are disillusioned. But I ask you: what does the word 'democracy' mean?"

The debate started by Jens Evensen and the Norwegian left provoked violent quarrels within the governing Labor Party and irritation in the U.S. administration, which wondered whether Oslo was not on the point of abandoning its traditional defense policy. A deputy from the Socialist Left Party told us recently: "It is necessary to understand our concerns and our discussions; in the terminology of the Atlantic Alliance, people no longer talk about Norway but about 'NATO's northern flank.'"

#### Survival of our Children

The women's organizations have played a basic role in the rise of pacifist feeling in Northern Europe over the past few years. As early as 13 May 1978, demonstrations had been organized in all the Nordic countries. About 10,000 persons paraded in Stockholm to protest against the neutron bomb and Swedish military spending. In July 1980, a peace petition signed by over 520,000 women was delivered to UN Secretary General Kurt Waldheim in Copenhagen. In schools and workplaces, post cards showing the peace dove are distributed. All one has to do is affix a stamp and mail them to the addressees--Leonid Brezhnev and Ronald Reagan--whose names are already printed on them. More than 100,000 of those cards have been sent since the first of the year. Answering a call by several Scandinavian and Finnish organizations, thousands of women participated in the "1981 Peace March" from 22 June to 6 August this summer. Starting out from Copenhagen, they were greeted in Paris, to their great disappointment, with what was almost indifference.

One member of the Women for Peace movement says: "In Sweden, women have always been active on behalf of peace. The Social Democratic Women's Federation, for example, vigorously opposed the Swedish atomic bomb in the late 1950's; it was they who got the project buried. Incidentally, women have been the B team in politics for too long. Defense is a very important issue, and we must get involved in it. It is no longer possible just to let everything happen, like spectators on the balcony: the future and survival of our children are at stake."

Many members of all those movements are now approaching 40. They were first active in the "anti-imperialist" struggle to support the NFLSV [National Front for the Liberation of South Vietnam] during the Vietnam War, then against civilian nuclear energy, and now against nuclear weapons. The Swedes seem to feel a need to rally around a "just cause," and today, that cause is the danger of excessive armament.

In this neutral country, which often likes to give the rest of the world lessons in morality, the arguments are certainly based on noble feelings, but they sometimes seem tinged with naivete. An example would be those presented in the campaign "Sweden can begin because it is neutral," a drive started by the Swedish Peace Association, which was founded 100 years ago and which is calling for an immediate halt to weapons exports and the elimination of defense budgets. It is apparently convinced that the whole world will follow.

In fact, four campaigns are underway simultaneously in Sweden at the moment. The Swedish People's Assembly for Disarmament, which has the support of many associations, is demanding a 5-percent reduction in defense spending. The Swedish Peace Association

is demanding the immediate conversion of military defense to organized civil defense. Women for Peace is denouncing the struggle for military supremacy between the superpowers. The fourth campaign, supported by some sections of the Social Democratic Party, is the Appeal for Peace and Survival, which is calling on the superpowers to begin a process of disarmament and condemning all acts of aggression, such as the invasion of Afghanistan.

Most of those movements began and have developed outside the established political parties. But they have now grown to such an extent and their ideas are reported so widely in the media that the political leaders are compelled to take them into account so as not to be outflanked. First result: the Nordic Social Democratic leaders now say they are ready to discuss "seriously" the possibilities for creating a denuclearized zone in Northern Europe. And that is the chief demand being made by all the pacifist organizations.

For the first time, the issue has been placed on the official agenda of the meeting of Nordic ministers of foreign affairs that will be held in Copenhagen in the early fall. That is quite a spectacular reversal, since Anker Jorgensen, head of the Danish Government, was saying not very long ago that the project "was not even worth discussing" because it was so unachievable.

#### Plan for Denuclearized Zone in Northern Europe

The idea originally came from Finnish President Urho Kekkonen, who in 1963 came out with the plan that bears his name and whose general outline is as follows: to begin with, the Nordic countries agree to establish such a zone. Then they try to obtain guarantees from the nuclear powers that the zone will be respected.

The Norwegians are officially of a different opinion: first there must be agreement between the superpowers. Kaare Willoch, Norway's new prime minister, said recently: "It would be extremely dangerous for Norway and the Soviet Union to sign a document in which the USSR would commit itself not to use nuclear weapons against our country, in exchange for which we would commit ourselves not to authorize the deployment of British or American nuclear weapons here in wartime. Such a guarantee is not worth anything. Every country ever attacked by the USSR had previously received guarantees that it would not be invaded. Afghanistan is the most recent example."

As for the Swedes, they hope that the zone will also include the Baltic Sea, where six Soviet Gulf-type submarines have been since 1978. In addition, they feel that the debate on nuclear armaments in Northern Europe cannot be limited to the Nordic countries alone, because those countries are already denuclearized in fact. They say that it is also necessary to consider the Soviet missiles capable of hitting targets located in Scandinavia. In a statement to a Finnish daily newspaper last June, Brezhnev had let it be understood that on that point, the Soviets were prepared to take "certain steps" in that direction. The Swedish diplomats and a Finnish delegation that recently visited Moscow were not able to obtain the slightest clarification of that remark.

The general opinion is that the pacifist movement should develop further in coming years. And in the case of Norway and Denmark, discussions on the left concerning relations with NATO will undoubtedly intensify. The Social Democratic parties in

Northern Europe have already decided to make 1 May 1982 a day of demonstrations for peace and disarmament. In Sweden, Palme's party (he feels personally that "neutralism and a people's pacifist movement are not to be confused with activity that plays into Moscow's hands, as is sometimes intimated") and the powerful LO [Swedish Federation of Trade Unions]--2 million members strong--have just established the Peace Forum. Presided over by Alva Myrdal, former head of the Swedish delegation to the Geneva Disarmament Conference, that forum will disseminate information and sponsor conferences and hearings. One of its organizers says: "Noble feelings are not enough to make an idea progress. It is also necessary to initiate serious debate and come up with constructive proposals."

In this year 1981, the Scandinavian countries seem to feel that war is a real threat and that their future depends too much on the good will of the superpowers. Public opinion is reacting strongly against the neutron bomb and the deployment of cruise missiles and Pershing 2's. It remains extremely discreet as to the deployment of SS-20's.

#### Counterarguments: Alliance Questions

Paris LE MONDE in French 24 Oct 81 p 5

[Article by Michel Tatu]

[Text] The four preceding articles have analyzed the successes of the pacifist movement in the FRG, Great Britain, the Netherlands and Belgium, and Scandinavia. Actually, the campaign in question is making a broad appeal to nationalist feeling and challenging the ties of dependence established by the Atlantic Alliance.

The chief centers of the pacifist movement in West Europe are situated north of a line running from the English Channel to Trieste. France is scarcely affected at the moment, and the same is true in Italy--even though Italy is scheduled to receive its quota of cruise missiles--and there is even less concern in Portugal or Spain, which is getting ready to enter NATO with no sign that its membership is arousing violent feeling on that side of the Pyrenees. Must we believe that a lasting distinction has established itself between a Protestant, pacifist, and antiestablishment North and a Latin, Catholic, and more "conformist"--not to say militaristic--South?

Let us leave it to the historians and philosophers to analyze matters of religion, geography, and even climate in the context of this situation, which is nonetheless remarkable. It will have been noted that southern Germany, notably Catholic Bavaria, has been less affected by the movement than northern Germany, where the majority is Protestant. And the same is true in Belgium, where the French-speaking Walloon half is hesitant in going along with the protest movement unleashed in Flanders, which is also Catholic but which is influenced by its Dutch neighbor.

It should not be concluded from this, however, that the "South" is permanently safe. The indifference with which the Euromissiles are being accepted in Italy is due primarily to the reserve being shown by the Communist Party, which says it is opposed to the NATO decision but which has not felt compelled to unleash a major campaign against it.

For its part, France has been largely spared by the wave, both because of its independence with respect to NATO--which saves it a lot of frustrations--and because of the very firm attitude adopted throughout the whole affair by Mitterrand and his government.

But the latter factor remains subjective. Let that determination weaken, and it would not take much to awaken within the PS [Socialist Party] a certain degree of social democratic pacifism that was only partly put to sleep by the party's very recent conversion to deterrence. And once awakened, it would be joined by the antinuclear movement. Not to mention a more radical leftwing which supports a De Gaulle-type concept of national independence but has a tendency to criticize, in the name of "anti-imperialism," any stand that happens to coincide with one taken by the United States.

The fact remains that resistance to the pacifist wave by the "French breakwater" irritates those behind the campaign. The rally scheduled for Paris on 25 October under the sponsorship of the Peace Movement is intended specifically to test the chances of protest in that respect. That is why it is useful to review the arguments employed most often by the various pacifist movements in the countries around us.

#### "Power of Example"

It is difficult to linger long over "pure pacifism," which is often religious in inspiration. It is the most honorable thesis--especially in its most consistent variation, which is conscientious objection to military service--and also the most "disarming," if one can put it that way: there is not much one can say against what Mitterrand has called a "postulate," all the more when that postulate is based on faith.

It is simply that no state can ever base its security on a principle that consists of attributing one's own virtues to the other party--and the same applies to individuals. While it may take two to make peace, it only takes one to start a war. While it is understandable that a people's movement should tend, under the influence of its own successes, to overestimate the power of democracy and dialogue, it cannot be forgotten that their power halts at the frontiers separating perhaps not countries but at least systems. Democracies have never converted dictatorships, and unarmed states have never converted their militarist neighbors to pacifism.

That is the very good reason why the same thesis gains nothing from the pseudopolitical adornments sometimes cast over it by unilateralists when they talk about the "power of example." Unilateral disarmament does not change its character by calling itself "bilateral on credit." More specifically, we do not see why the Soviets would destroy their SS-20's after the British unilaterally reject U.S. missiles simply to keep the pacifist movement in the West from "losing all popular support," as Thompson hopes. The movement would then have already rendered the greatest service one could expect from it, and furthermore, there is no reason to doubt that it would rise from its ashes at the next opportunity.

The fact is that the pacifist movement moves far beyond the narrow and relatively stable confines of "evangelical" pacifism, which is based purely on moral principles. The movement would not have succeeded as well as it has if it had not been founded

also--and especially--on fear. One can certainly ponder the role played by the reflexes gained after two generations of peace--with one of those generations having been born into the consumer society with its rejection of the tragic and sometimes of effort. In any case, the specter of nuclear war and its devastations is certainly quite terrifying. What is new is that it is being made to appear that only one camp feels that fear and that at the same time, the entire security system based on deterrence is being called into question.

Today the Council of Anglican Churches can proclaim as much as it wants that a doctrine based on mutual destruction is "shocking to a Christian conscience," but doing so does not change the fact that the doctrine in question prevailed for 35 years and was accepted, in the main, by public opinion everywhere. The Germans, who are now worrying about becoming a target because they will be accepting a little over 200 new U.S. missiles on their soil, seem to forget that they have been living in the midst of some 6,000 bombs and other "tactical" nuclear missiles for 25 years and that their country is certain to be destroyed in a war in any case.

The anxiety has therefore arisen, instead, because as the power of the USSR has increased, the determination to deter it has become assimilated in the public's mind with the idea of "provoking" an opponent who is too strong. It is no longer felt, as it was before, that the purpose of security is to be "neither Red nor dead." The feeling instead is that perhaps it will be necessary to choose between the two and that those responsible for this situation may well be not the Soviets but the Americans, perceived as being the "possible source of calamity," as was noted in Germany.

This reversal of attitude toward the protector is due basically to the campaign now underway. It is worth spending some time over its two aspects: military and political.

1. On the military level, the argument now flying around is the one aroused by the somewhat nebulous remarks made recently by Reagan concerning the prospect of a limited nuclear war. The protesters are saying in substance that the United States wants to remain safe in case of a conflict and that that is why it is deploying the Pershings and cruise missiles in Europe--so as to limit the war from the start to European territory. Even with no aggressive intention on America's part, the argument runs, the gesture is a dangerous one because the USSR will be tempted, in case of an international crisis, to give priority to destroying those missiles threatening it and thus to unleash a preemptive strike on European soil.\*

That last argument is hardly convincing. If someday the Red Army were really to plunge into a war in Europe, there is every reason to think that it would begin by taking preventive action to neutralize, whether by nuclear means or not, everything

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\* Concerning this argument, the Soviet attitude is ambiguous. On the one hand, Moscow encourages the Europeans to think that they are exposing themselves very particularly and accuses the United States of "egotism." But it gives the Americans to understand that the response will be on American territory. TASS wrote on 15 October: "Washington's illusions as to the possibility of limiting a nuclear conflict to the European theater are extremely dangerous and completely unfounded."

in the Atlantic military system that was standing in its way: the Pershings, of course (it is therefore important they be mobile), but also tactical nuclear weapons and the conventional equipment that could threaten its advance. So any war in Europe will be devastating, today as in the past.

In fact, the question is not whether the Americans are preparing for a "war limited to Europe" (they say they are not, but it will be more limited for them than for Europe under any circumstances). The problem, instead, is to insure that it will be no more limited to Europe than is necessary. The prospect of a conflict stopping at the USSR's borders would not deter Moscow from jumping into such a venture as much as the prospect of a war that would immediately set the "decider's" territory ablaze. The deployment of Pershings is intended precisely to create the conditions for such a situation, and, as was noted by the SUEDEDEUTSCHE ZEITUNG, the "giant killers" who want to do away with "limited war" should therefore be supporting the NATO decision even more strongly than others do.

As far as the United States is concerned, it can point out that it is exposing its own territory more by striking at the USSR with Pershings than by striking at Poland or the GDR with the current tactical weapons. So war promises to be less "limited" for the United States than before. What it does not accept, however, is that this new fact should seriously impair the doctrine of flexible or graduated response that was officially adopted by NATO 15 years ago. On the contrary, the response will be more rigid and more in keeping with the French ideas to the effect that it is necessary to strike at the chief opponent right from the start. And the Euromissiles are simply the U.S. variant, on a European scale, of the deterrent force that France has acquired for defending itself.

2. On the political level, however, the whole situation changes as soon as a foreign power takes charge of the instrument of deterrence. Here is where the anti-American, nationalist, and even neutralist twist to the current campaign in Europe begins to make sense. Inspired in part by fear of the rising power of the USSR, that campaign is also the logical result of a security system based on dependence on a single all-powerful protector and of the very bad habits that this has given rise to.

For a long time the risks were few, and the Europeans became accustomed to the losses of sovereignty imposed on them by the alliance. Today the risks seem greater and the Europeans are balking, but without seeking more responsibility for themselves. It is characteristic that the same people who accuse the United States of wanting to "attack the USSR from Europe" never ask for the very simple guarantee that would ward off that danger: a double-key system that would give their own country the right to veto use of the missiles. And a number of Netherlanders, Britons, Danes, and Germans are talking about leaving NATO's military organization, as De Gaulle did in 1966, but without wanting to put forth the defense effort accomplished at the time by France. In other words, the sudden burst of nationalism made inevitable by the very structure of the alliance is occurring in the worst of conditions--against a background of pacifism and irresponsibility.

It is no doubt inappropriate to overdramatize things, at least where NATO is concerned. The organization was born in ambiguity, and it will doubtless survive the even more serious ambiguity that would result from a refusal by the FRG to accept

the proposed armaments. The United States would hasten to deploy the same missiles on new submarines, and everyone would pretend to be satisfied.

But France would have no reason to be happy, especially if it remains faithful to the European idea espoused by its government. First of all, it will of course have to support Chancellor Schmidt, notably by pushing for East-West negotiation, the only kind capable of getting the decision through, as Mitterrand put it. In the long run, the affair should push France into delving deeper into the European option, which everyone thinks about without ever mentioning it but which nevertheless received a much noted tribute from Mauroy in his speech to the National Defense Institute on 14 September.

#### European Option

The prime minister invited the Europeans to "think about the prospect of a political body having its own autonomous defense." Was his invitation a real opening or a last-ditch stand that will come to nothing? As the "U.S. deterrent force in Europe," which is what the NATO nuclear program amounts to, clashes with public opinion, would it not be possible for a genuinely European force to take over, retaining the same military advantages but eliminating the political disadvantages?

Doubtless one should not nourish excessive illusions as to such a project's chance of success in current conditions. Nothing can be done without a serious recovery of the spirit of defense among our demoralized neighbors. But the occasion justifies an effort to try to transform the disorganized and frustrated nationalism now troubling them into genuine and constructive European nationalism.

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CSO: 3100/88

## BRIEFS

GOVERNMENT SETS EC-MEMBERSHIP TERMS--Greenland's self-rule government wants Greenland to continue to receive support and trade advantages through the EC, when or if Greenland withdraws. But the government has only to a very limited extent agreed to give EC countries the right to fish in Greenland's waters. That was one of the conclusions in an explanation of Greenland's relationship to the EC which the head of government, Jonathan Motzfeldt, gave the parliament on Tuesday at the opening of the campaign for the voting on the EC on 23 February. Motzfeldt pointed out that Greenland wants to come in under the so-called OLT arrangement which applies to the overseas territories and former colonies of certain EC countries. Motzfeldt confirmed that EF could claim a fisheries agreement. But only that portion of fisheries would be granted which Greenland's fishermen have no capacity for or interest in. Regarding the possibility of subsidies in an OLT arrangement, the 17 OLT countries have received 100 million kroner over a 5-year period from the investment bank, while Greenland has in 7 years received a loan of 400 million kroner from the investment bank. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 22 Oct 81 p 6] 9287

CSO: 3106/15

## SORSA COMMENTS ON SECURITY ISSUES, PRESIDENTIAL RACE

Helsinki SOSIALIDEMOKRAATTI in Finnish 3 Oct 81 pp 14-15

[Article by Seppo Halminen: "Foreign Policy Reputation Becoming Battered In Presidential Race"]

[Text] The SDP hopes that it will be possible to achieve cooperation between the current ruling parties at least in order to continue the YYA [Friendship, Cooperation, and Mutual Aid] Agreement.

This is emphasized by SDP Chairman Kalevi Sorsa in renewing his proposal to continue the YYA Agreement.

He made this continuation proposal already in August a couple years ago. However, it did not catch fire in so-called political circles. Some positive speeches were given, but not with sufficient emphasis.

"What is most remarkable is that Foreign Minister Paavo Vayrynen did not adopt a positive attitude toward this issue," recalls Sorsa.

The YYA Agreement will be in effect until 1990. Why should it be important now already to take actions for its renewal?

"In my opinion it would be beneficial to take actions in time for its renewal in its present form before it expires.

"The YYA Agreement has not only satisfied our security needs, but it has also created a basis for the most important portion of our foreign and even trade policy.

"It is evident that it has also satisfied the needs of the Soviet Union," argues Chairman Sorsa.

The attempts to renew the agreement, however, also have larger scale reasons behind them.

"In a world in which tension is increasing, in which armaments are becoming an ever larger problem, and which is no longer as stable as it was a few years ago, it would be wise to stabilize Finland's position in all areas in which we can accomplish this by our own efforts."

Sorsa wants to pose this question for deliberation in a timely and domestic situation. He points out that it was the Social Democrats who have attempted to reinforce the continuation of Finland's foreign policy by an agreement in good time.

In his opinion there is reason to keep this in mind in the presidential discussion, in which there has been an attempt to cast a shadow on the Social Democrats and their future presidential candidate with respect to the continuation of our foreign policy line.

#### A Heedless Presidential Race

The chairman of the SDP considers the discussion that has been kindled in the tumult of the presidential race to be rather unpleasant and unfair.

"Evidently it has not been possible to find weapons against the Social Democratic Party and Mauno Koivisto and, therefore, the discussion has embarked on an especially heedless path."

In Sorsa's estimation this unfair discussion can bring inestimable damage not only to our foreign policy reputation abroad, but also to our domestic policies.

"At its worst it can upset the confidence expressed in Finland's foreign policy outside the borders of our country.

"If we make the broad support enjoyed by our foreign policy the subject of speculation in this manner, this becomes a very, very questionable act from the point of view of our foreign policy," complains Chairman Sorsa.

All this can have domestic policy repercussions, of which the most dangerous would be long-term damage to cooperative relations between the Social Democrats and the Center Party in the opinion of the chairman of the SDP.

"I positively do not understand with what forces the Center Party would support its policies in such a situation. Does it imagine that cooperation between the Center Party and the Conservative Party, to which opportunist leftovers from other parties could give support, could become a political power axis in Finland?"

#### PYV [Nordic Nuclear Free Zone] Moves Forward

For years already Kalevi Sorsa has had considerable visibility in international politics. He has directed the Socialist International's disarmament work group, which was raised to the level of a council at last week's Paris meeting. With this background he can give an authoritative appraisal of how attempts to create a nuclear free zone are progressing and what significance the Social Democrats have in the accomplishment of this goal.

According to Sorsa's appraisal the last few months have represented an important period of development for the concept of a nuclear free Nordic area presented by President Urho Kekkonen in 1963.

In November in Madrid the world's social democratic parties emphasized the significance of nuclear free zones for the benefit of territorial security. Last May in Bunnervik's statement the parties of the Nordic countries urged the governments of the Nordic countries to find a common basis for creating a Nordic nuclear free zone.

After Midsummer Day CPSU General Secretary and Soviet President L. I. Brezhnev in a statement to the Finnish Social Democratic Party declared the Soviet Union's support for the decisions and its readiness to contribute to the creation of a nuclear free zone.

"This Soviet position he subsequently reinforced in discussions with Socialist International President Willy Brandt. Brandt reported on these discussions to the leaders of Nordic country parties in connection with a meeting of the Socialist International chairmanship," states Sorsa.

#### Unified Support From the Social Democrats

According to him the Socialist International will also be important in the future.

"Last Friday the Socialist International's council (bureau) approved a stand in which it welcomed with satisfaction or thus announced its support for the aspirations of Nordic country parties to create such a zone.

"Finally on last Sunday Swedish Social Democratic Chairman Olof Palme announced the very clear and forceful, unreserved support of Swedish Social Democrats for this project at a party meeting of the SAP [Swedish Social Democratic Labor Party].

"Thus what has happened is that the strongest political force in the Nordic area, social democracy, has assumed a unified support for this goal," emphasized Chairman Sorsa.

Through their actions the Social Democrats have made the project of a nuclear free zone also the subject of discussion between governments. In the beginning of September Nordic country foreign ministers discussed this question and each one of them decided to present their own country's points of view.

"Very important developments have also taken place with respect to public opinion. Concern about nuclear war is increasing in all the Nordic countries. Support for a nuclear free zone is increasing at the same rate."

#### There Is Still Much Work Ahead

Progress has been made. Opinions are maturing. However, Kalevi Sorsa does not want to promise too much too soon. A quick solution is hardly possible.

"This is a big project and there are many problematical questions connected with it. It is important that this work be continued in a purposeful manner."

According to him the Nordic countries must define what they mean by a nuclear free zone, what they can mutually agree upon, and after that determine what they expect from outsiders, particularly the nuclear powers.

## The Voice of Nonnuclear Countries To Be Heard

The Bommersvik declaration and the nuclear free zone project have a direct connection with Chairman Sorsa's most recent proposal which he made on Thursday of last week at the Socialist International's council meeting in Paris.

He proposed the convening of a conference of Europe's nonnuclear states. According to his proposal the objective of the conference would be to make public the aspirations and proposals of the nonnuclear states for the purpose of increasing security and promoting nuclear disarmament.

"One of the factors behind my proposal is that uncertainty and apprehension are increasing in Europe. They are increasing particularly in those countries which do not have an opportunity to present their own opinions and which have not been given reasonable information on developments which could, however, affect them in a fateful manner.

"It would be important for even these countries to be able to express themselves and to have their security needs taken into consideration."

Chairman Sorsa states that he has made his proposal in a rather a open form. His particular hope is that it will generate a discussion during which proposals making this concept more precise would be presented. Therefore, at the meeting of the Socialist International's council he did not attempt to open up a discussion much less adopt a decision, but to arouse contemplation. After a period of deliberation a discussion could be initiated.

## Continued Negotiations on Disarmament

A proposal on the International's timely disarmament policy was unanimously approved at the Paris meeting of the Socialist International's council.

It forcefully emphasizes the importance of disarmament in Europe and demands decisive negotiations for the elimination of Euro-weapons and the prevention of the deployment of new ones. The council's proposal supports the convening of a European disarmament conference. Finally as a matter of importance for Finland Sorsa emphasizes the fact that the council also welcomes with satisfaction the initiative of Nordic country parties in the creation of a nuclear free zone.

The work of the International's disarmament council under Chairman Sorsa will continue. The next negotiating trip will be made to the United States. The program and date of the trip is now being negotiated.

"The U.S. Government has adopted a positive attitude toward our proposal. In connection with this trip we also intend to conduct negotiations at the UN," states Sorsa.

A decision was also made at the Paris meeting to make a negotiating trip to Moscow. The trip is being planned for the winter depending on the decision of the host country.

## Social Democracy Has Strong Influence

Chairman Sorsa considers the significance of Social Democrats in international politics to be considerable as a stable mediator in the relations of the superpowers.

"The social democratic movement carries a rather great political and moral weight. Its strong position in Western Europe is traditional. Recently more and more Third World parties and liberation movements feel an affinity with its ideological family, which is organized in the Socialist International."

The fact that a decision has now been made to initiate Euro-missile negotiations between the superpowers is the best example of its influence in practice according to Sorsa.

"It is above all the result of European pressure and in Europe, on the other hand, above all social democratic pressure."

10576

CSO: 3107/10

## SKDL SUSPENDS FOUR TAISTOITE MP'S FOR MONTH

Helsinki HELSINGIN SANOMAT in Finnish 9 Oct 81 p 11

[Article by Ritva Remes: "Street Payment Bill Upset Spring Decisions on Unity, Taistoites Out of Faction"]

[Text] The Communist majority accused Taistoite Communists of cheap propaganda and dismissed four Taistoites from the Diet faction. The penalty remains in effect until the end of November. The Taistoites defended themselves by stating that the party's situation will not improve with a "submit or resign" request.

The majority in the Diet faction of the SKDL [Finnish Peoples Democratic League] suspended Pauli Puhakka, Marja-Liisa Salminen, Marjatta Stenius-Kaukonen, and Seppo Toiviainen from the faction by a vote of 20 to 8. The suspension decision was supported by the majority Communists and People's Democrats who were present. The Taistoite minority opposed the penalty.

Two of those suspended, Seppo Toiviainen and Marjatta Stenius-Kaukonen, belong to the SKP [Finnish Communist Party] Politburo, which in practice directs the party.

The penalty was brought about by the street payment bill. Taistoites, Marjatta Stenius-Kaukonen and Pauli Puhakka, presented changes to the bill in the Diet's large committee. Marja-Liisa Salminen with the support of Seppo Toiviainen proposed at a full session of the Diet that street payments not be collected at all this year.

"A Conscious Search for a Conflict"

"We appealed to our comrades several times not to present a proposal differing from the faction's decision," stated faction leader Jarmo Wahlstrom.

According to Wahlstrom the minority was conscious of the fact that a breach of the decision would result in serious consequences. Apparently, the members of the faction consciously wanted to bring about a serious situation of conflict.

At the faction meeting the Taistoites issued a protest. According to their side of the story they did not promote their own interests in the street payment bill. The party has corresponding decisions on the street payment bill. Also the Diet faction unanimously came out against the street payment bill in the Diet last

spring. Why could not this unity have been continued in October, asked the Taistoites and stated that they are promoting party unity in spite of the penalty.

Faction leader Wahlstrom, for his part, explained that the decisions made during the summer on the street payment bill were made in a situation for the purpose of pressuring the government.

Now the bill in the Diet will postpone street payments until later and the Diet is anticipating improvements in it. The SKDL faction considered it wise in this new situation to support the government's unanimous proposal, continued Wahlstrom.

At an oral inquiry hour Interior Minister Johannes Koikkalainen (Social Democrat) stated after the SKDL faction meeting that the next amendment to the street payment bill will come before the Diet sometime in October.

The bill is ready and according to it local townships will have more rights in determining the amount of payment. According to Koikkalainen a local township can reduce or eliminate payments for low-income people.

#### Two Competing Diet Factions

Four Taistoites did not dissolve the SKDL Diet faction. The faction and the Communist Party have in reality been divided for 15 years.

When party division began in 1966, Pauli Puhakka was among those who opposed Aarne Saarinen's chairmanship. Puhakka marched out of the congress together with Chairman Aimo Aaltonen, who was not elected as chairman.

On Thursday Puhakka was among those suspended from the group. This is the first time the SKDL faction has suspended anyone. In the spring the Taistoites were given a serious warning when they voted in the social subsidy tax contrary to the decision of the faction.

Over the years the Communist Party has attempted to mend its fences with decisions, appeals, and threats. Even this time Chairman Saarinen gave a severe warning to the Taistoites over last weekend. Either maintain unity within the party or leave, was Saarinen's statement.

Saarinen's appeals were not answered even this time. The Taistoites held to their own line.

According to Jarmo Wahlstrom, the SKDL's faction leader, the Taistoites put the majority in a situation in which penalties could no longer be avoided.

#### Spring's Detente Was in Vain

The detente that began within the SKP at the spring congress has now only resulted in division and a suspension.

Negotiations are indeed being conducted. Both factions are of the opinion that unity is being promoted on both sides of the barricades.

But both sides admit that there are difficulties. It also seems apparent that the Taistoites who have now been punished will get their share when the conflicts over the budget bill begin.

When Puhakka walked out on Thursday, he considered that there was more behind the suspension than the street payment bill.

Puhakka's thoughts included the presidential elections and more. If the party is forced into a final split, the minority will not be able to name electoral candidates. After that it will become even more difficult to place minority people in the Diet.

Puhakka belongs to that small group of MP's who came into the Diet before the 1970's.

Puhakka became an MP in 1954 at the same time as Political Science Candidate Irma Rosnell and carpenter Pentti Liedes, who belong to the Taistoite faction. Liedes was not a member of the Diet during the years 1966--1970.

Vice Chairman Ensio Laine of the SKDL's Federated Council became a member of the Diet in 1968, Aarne Koskinen in 1970.

And Taistoite workers ended here. Since Koskinen only truck driver Mikko Kuoppa has risen to the Diet, in the last elections.

Those who have come into the Diet in recent elections are Editor Esko-Juhani Ten-  
nila in 1975 and Graduate Engineer Marjatta Stenius, who has changed her name in  
both terms of office. Marjatta Mattson is currently Stenius-Kaukonen.

Since the last elections the Taistoite faction has been joined by Medical Licen-  
tiate Sten Soderstrom, Social Science Doctor Seppo Toiviainen and engineering stu-  
dent, Editor Marja-Liisa Salminen.

In these elections the former 13-member Taistoite faction was reduced to 11. The  
whole SKDL faction has been reduced by a total of five.

In the Diet the Taistoites have been in opposition. The Taistoite faction, which  
has been opposing the party's government policy, has held its own meetings, com-  
piled its own shadow budget, made its own initiatives and statements of opposition,  
and voted against the government -- frequently together with the Conservative Party.

10576

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## SKDL CHAIRMAN KIVISTO: BETTER KOIVISTO THAN KARJALAINEN

Helsinki HELSINGIN SANOMAT in Finnish 11 Oct 81 p 9

[Article: "Support for Karjalainen Will Take SKDL Vote Elsewhere"]

[Text] Bank Director Ahti Karjalainen (Center Party) is a controversial individual who arouses conflicting thoughts and in addition to admiration arouses antagonistic feelings among the People's Democrats also. This was the evaluation of Karjalainen by SKDL [Finnish Peoples Democratic League] Federated Council Chairman Kalevi Kilpi on Saturday. He believes that a mere suspicion that votes will go to Karjalainen will cause SKDL members to vote for other parties in the forthcoming presidential elections.

In addition to Kilpi, SKDL Chairman Kalevi Kivisto rejected Karjalainen at Saturday's meeting of the SKDL's Federated Council. Kivisto was of the opinion that the SKDL cannot support Ahti Karjalainen at any stage of the presidential elections.

Kivisto emphasized that it is too early except on a theoretical basis to calculate decisive voting positions and the final results of the presidential elections. What is most important at this time is to get as many electoral votes as possible for the SKDL and with them the keys to the final outcome, stated Kivisto.

"I cannot approve -- either politically or morally -- of the manner in which TIEDON-ANTAJA is making preparations for the elections. That outright flattery which it has practiced with respect to the Center Party's yet unnamed candidate Ahti Karjalainen is not suitable as a premise for the election campaign of the People's Democratic movement and according to my understanding the SKDL cannot at any stage of the elections promote such a final outcome."

"Achievements Must Not Be Eroded"

The conflicts between the SKDL's majority and minority in the presidential question came to the surface in the discussion of an internal policy stand, which was centered on the selection of a president. The minority would have wanted to place more emphasis than the majority was prepared to do on the primary importance of foreign policy in the selection of a president. In the final statement it states: "The strengthening of basic foreign policy line based on the YYA [Friendship, Cooperation, and Mutual Aid] Agreement and the accomplishment of a progressive social policy are the most important premises in the selection of the next president. The

leftwing and the center forces should make every effort together to accomplish these goals. In spite of their mutual competitive situation they should act in such a way that the achievements of President Kekkonen's era will not be eroded in the election campaign and the conditions for leftwing and center cooperation will be maintained and strengthened."

#### "Powers to be Reduced"

In the Federated Council Kivisto presumed that in connection with the change of presidents there could be a discussion of the position and powers of the president as well as of their revision. In his opinion the prime minister could be chosen by the Diet in the Swedish manner. Kivisto would also be prepared to coordinate certain representative initiatives with government proposals and to transfer the president's power to issue decrees to the Council of State.

In Kivisto's opinion the right of the president to dissolve the Diet should be eliminated: the Diet should be able to dissolve itself if it so wants.

In the section on recent events in his speech Kivisto criticized Center Party Chairman Paavo Vayrynen for insolence in the final stage of the government's budget negotiations. According to Kivisto Vayrynen imagined himself as one with authority to form the government and offered SKDL government position to the Social Democrats.

#### Koivisto in First Place

In the press release on the meeting of the Federated Council Kivisto stated that he will personally give preference to leftwing cooperation and Mauno Koivisto if Koivisto is placed against Karjalainen in the presidential elections. Such a statement of position is not at all considered to be self-evident in the SKDL.

In the Federated Council Kivisto emphasized that the SKDL must in the selection of electoral candidates make certain that the SKDL's electoral group will act unanimously in all phases of the election.

The SKDL's Federated Council did not make any decisions on candidates. They are being considered by an eight-member work group, which intends to listen to the primary and district organizations before making any recommendations. No new names for candidates came up in the SKDL's Federated Council -- even all the previously mentioned names were not brought up in speeches. According to the evaluation of SKDL First Secretary Jorma Hentila, Chairman Kalevi Kivisto's name came up the most frequently. Also mentioned were Eino S. Repo, the former director of the State Radio, Assistant City Manager Anna-Liisa Hyvonen, and SKDL Chairman Aarne Saarinen.

An attempt has been made to find candidates outside of daily politics in the SKP [Finnish Communist Party] and the SKDL, candidates who would be appealing to people other than those most faithful to the party. In the party leadership there has been enthusiasm for Anna-Liisa Korpinen (formerly Tiesko), but she has rejected any overtures.

MP Esko-Juhani Tennila, who is a member of the SKDL's minority, proposed Hyvonen as a presidential candidate at the Saturday meeting of the SKDL's Federated Council. Hyvonen belongs to the majority wing of the SKP. In Tennila's opinion all

the factions of the movement could be placed behind Hyvonen. Tennila states that Kivisto's position on Karjalainen does not reflect the policy of the SKP.

The SKDL's Federated Council will convene again on 5 December, but could even meet sooner if the situation should so require.

10576

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## BRIEFS

ENERGY RESEARCH FUNDS--A total of 44 million markkas in appropriations was granted for energy research this year. This year 149 new research projects have been started. In addition to this, this year's funding also includes a total of 80 previously started long-term projects. The emphasis of this research is on energy conservation and the use of domestic energy. The nature of this research is forcefully changing from general reports to concrete technical research and development work, states the Trade and Industry Ministry. This year 22.7 million markkas were granted for research on energy conservation, 17.5 million markkas for research on domestic energy, and 3.8 million markkas for research on other energy economics. The central points of energy conservation research are construction and the use of industrial energy. The central points of research on domestic energy are peat and the use of wood as energy. While 44 million markkas is being spent on nonnuclear research, 12.2 million markkas have been allocated for research on nuclear technology this year according to the budget of the Trade and Industry Ministry. [Text] [Helsinki UUSI SUOMI in Finnish 7 Oct 81 p 27] 10576

CSO: 3107/10

## AMNESTY, DEATH PENALTY ABOLITION VERSUS PUBLIC OPINION

Paris LE JOURNAL DU PARLEMENT in French 15-30 Oct 81 p 6

[Article by Suzanne Labin: "The Socialists and the Death Penalty"]

[Text] As soon as they assumed power, the Socialists rushed to abolish the death penalty. In view of the extreme urgency and greater seriousness of so many other problems--galloping inflation, increasing unemployment, intolerable insecurity and world tensions--the question of the death penalty could have waited for a calm discussion in the years to come. They preferred instead to make first off those decisions which would give them an advantageous position. We will examine the main issues of this problem.

Let us stress first of all that this left, which is giving so many lessons on democracy to everybody, has just run counter to the popular will. In fact, a poll conducted by SOFRES [French Opinion Polling Company] on 8-10 September 1981 shows that 62 percent of the French support retaining this punishment, only 33 percent want it abolished and 5 percent had no opinion. This contempt for the consensus deserved to be stressed all the more so since it is in the name of the people--and not of the deputies--that justice is rendered in criminal matters. Juries are supposed to represent the people.

The argument that a parliament has the right to go counter to general sentiment in the name of a morality superior to that of the common herd is indefensible. Let us merely imagine a similar situation the other way around: for example, 62 percent would have approved the right of the public services to strike, but a parliament of the right would have all the same prohibited it by invoking a higher civic spirit. The left would have screamed against the violation of democracy.

I fully admit that one may rise up against capital punishment in the name of an overpowering sensitivity and because one would want the government to give an example of clemency. However, I cannot support the resort to guile to justify its abolition. As if to claim that the number of murders committed in countries such as France which have maintained this penalty is more or less the same as in countries which have abolished it, such as Spain or Belgium. In France itself, the death penalty has not, so to speak, been implemented for 16 years (nine executions since 1965 and none for the past 5 years). When one considers that a kidnapping case followed by the villainous murder of a child and cases of elderly people

being tortured to death during the course of the theft of their savings have not been punished by the death penalty, the symbolic maintenance of the latter in our code could no longer, in fact, discourage candidates to crime.

More generally speaking, the argument of nondeterrence is specious. It is quite true that there will always be crimes committed regardless of how severe the punishment, but these are crimes committed under unusual circumstances of anger or, as it is aptly put, when the "criminal has lost control of himself." These circumstances form an irreducible fringe from which it is as incongruous to deduce the uselessness of the death penalty as it would be absurd to give up the building of dikes on the pretext that there will always be earthquakes.

It is in respect to all the others, to those who have maintained control of themselves, that we must ask if the fear of the supreme punishment would stop them from premeditating and coldly committing hideous crimes. In this case, the answer is yes; the calculation of risk being one of the basic forces of all human conduct. Everyone, including those lawyers in favor of abolition, instinctively agree in saying that such-and-such a kidnapper returned the child he abducted or such-and-such a gangster avoided firing on police "in order to save his skin." And has not the Socialist Party backed the nuclear strike force (and God knows its effect would be Dantesque) because it is meant to deter an attacker, hence its official name "deterrent force"? And why did Mitterrand and Deferre propose a bill a few years ago calling for the death penalty for drug traffickers? Why, other than that they expected that it would intimidate them? Besides, this has been confirmed in all countries which have instituted the death penalty--Singapore, Iran, Turkey--where drug traffic has considerably dropped after the measure was implemented, at least as far as domestic use is concerned.

It is no less evident that the death penalty would prevent many horrible repeat offenses. Since 1980, a half dozen or so major criminals, who were sentenced for serious crimes and then released, have once again come before the courts for cases of murder. Police estimate the number of recidivists at 8 percent. What is especially of concern to public opinion is the release of terrorists, such as the members of Direct Action who kill innocent people in order to shake the state structure. Jean Marc Rouillan, considered their leader, has once again left prison, as has his companion, Nathalie Menigon, who emptied two clips on police at the time of her arrest, knowing quite well that the death penalty inscribed in our code was no longer being implemented. Police sigh, "They are going to start up again," and they are afraid of even more bloody future terrorist activities. They did not have long to wait before the taking of hostages at the Turkish consulate.

And what bad taste to compare the abolition of the death penalty with that of slavery, as our socialist minister of justice did. In fact, this implies that he is comparing the fate of some particularly horrible criminals who have benefited from all the guarantees of justice to that of millions of decent people who were arbitrarily and cruelly subjugated. And even if he thought that the abolition of the death penalty for assassins constitutes progress in the sense of legal indulgence, how can he dare compare it, in historical importance, to the giant step made by society toward the respect of human dignity when it emancipated innocent slaves?

I repeat that I understand that the death penalty may be abolished regardless of what the disadvantages of it may be for society because of a philosophy of exemplariness and non-retaliation in the exercise of government which desires that justice no longer be sanguinary. In days past, did not the immense majority of our fellow citizens feel repugnance at putting even the worst criminals on the rack, to quartering them and torturing them even though these penalties were even more deterrent in nature than the quick guillotine? So, those in favor of abolition should logically hope that education in morals be substituted for physical penalties in order to reduce criminal temptations. However, our leftists are doing just the opposite. While inveighing against the guillotine, they at the same time curse as reactionary all teaching of civic-mindedness and rules of conduct, and they praise all succumbing to impulses as emancipation. It can be understood that in order not to have to inflict punishment, respect for taboos is being proposed. However, the left wants neither punishment nor taboos.

Neither does it want protection. If, at least, the socialists-communists were to compensate for the loss of the deterrent potential, which the abolition of the death penalty entails, by increasing the means for strengthening the security of citizens. This question, it must be remembered, rightly constitutes, well before the question of nationalizations, one of the major concerns of the people, of the little people whose modest means and lives are the most exposed. So, the defense of this security constitutes one of the prime duties of every state.

However, the left pokes fun at it as a "bourgeois" concept, it noisily cultivates the notion of contempt for "cops" and zealously makes efforts to declare offenders innocent and to lay the blame on society. Never once have we heard the left denounce with any vigor the disgraceful acts of our troublemakers, rapists and killers. The real scandal for the left, to which it has devoted torrents of speeches and documents and to which its Parliament has given its attention well before tackling the question of unemployment, is the fact that the police could demand identity papers from suspect passers-by.

And when, in the face of a permanent deficiency of all safeguards on the life and property of citizens, public opinion, as a last resort, falls back on the hope that the death penalty at least would constitute a barrier, this popular reaction which could be disputed but which is understandable and respectable, is scorned by the left. Badinter, the socialist minister of justice, ventures as far as to describe it as "a reflex of infantile distress."

The socialists should, moreover, refrain from talking about infantilism on the topic of popular opinion since it is because of it that they are in power. If this opposition is "infantile," then the selection it has made of Mitterrand can only be considered infantile.

5671

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## BRIEFS

TELECAST ON SHRINES CANCELED--A remarkable program on major pilgrimages throughout the world was supposed to be shown on television the latter part of September. It included five major shrines devoted to major religions--Hindu, Muslim, Jewish and Christian: Benares, Mecca, Jerusalem, Czestochowa and Santiago de Compostela. This program, prepared by specialists and writers, was scheduled to be shown over a period of several weeks. However, this program was suddenly canceled indefinitely. It was evident that for a party in power which claims to be secular, everything which could evoke any spirituality is to be banned. One has only to turn on the television set to be assailed by a flood of propaganda material. Have you noticed that over the past 4 months there is no longer any talk about the war in Afghanistan which the Kremlin wants, at any price, to prevent becoming a second Vietnam on the wrong side. This clause on the recognition of the war in this part of the world was, nevertheless, one of the stumbling blocks of the agreement between Francois Mitterrand and Georges Marchais before the presidential elections. One must expect, for example, many programs on the neutralization movements in Germany on which Moscow is staking much for its propaganda. Roland Passevant and Francois Salvaing, former journalists of HUMANITE DIMANCHE who were recently promoted to editors of the T.F. 1, will especially keep a sharp eye open. [Text] [Paris LE JOURNAL DU PARLEMENT in French 15-30 Oct 81 p 2] 5671

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## PROCEEDINGS OF CISL CONGRESS APPRAISED

## New Nonpartisan Identity

Rome RINASCITA in Italian 16 Oct 81 pp 7-8

[Article by Federico Rampini: "Carniti's CISL"]

[Text] It is a labor union that appears to be substantially united behind the policy line of the leadership group, has recovered its identity without adopting a partisan stance, and is however subject to strong programmatic pressures and characterized by vigorous democratic debate. The pivotal points of the confederal strategy are self-management; a reduction in hours of work; and establishment of a solidarity fund. The principles of autonomy and united effort were reaffirmed, and a search for new ways of promoting development and combating inflation was initiated.

At its helm is a secretary who carries no party card. A reduction of the workweek, and self-management, are its watchwords. A powerful "lobby" of sworn enemies of the nuclear power stations is active in its midst. No, we are not speaking of the CFTD [French Democratic Confederation of Labor] of Edmond Maire; but this is not to say that Pierre Carniti--reelected secretary general of the CISL [Italian Confederation of Labor Unions] at the conclusion of the national congress held in Rome last week--does not cherish the dream of gradually shaping his organization on the model of that "anomalous" French union.

What is this CISL, as of the time of holding its Ninth Congress? First of all it is the Number Two Italian union, with a membership of more than 3 million workers. It is also a union whose roots in society are quite original in nature. Its members in the various civil service categories, in the schools and in the service sector add up to a total of 1 million workers--equaling the total of its members in industry. And whereas from 1976 to 1980 the CISL membership in industry increased by only 1 percent, its membership in the civil service increased by 4 percent, in the schools by 8 percent and in the service sector by 7 percent. Similarly, in the North (where the CISL has almost 1.5 million members) the union's membership has risen by 4 percent during these past several years, but in the Center (where there are in excess of 500,000 members) the increase was 13 percent and in the South (where the CISL has 1 million members) the increase was 12 percent.

What do these data tell us? First (and obviously), the fact that in those sectors most recently unionized (the civil service, the South) the rates of increase are necessarily higher. Second, that the tendency of the CISL to take root among the white collar workers and in the South is intensifying. Third, that to dismiss this phenomenon as "partisanship," "corporativism" and "corruption" is simplistic.

Let us therefore turn our attention back to the congress: to this "coronation" of Pierre Carniti. The secretary general has in fact imparted to the CISL a unity and a prestige that neither Storti nor Macario succeeded in doing. Moreover, he did so without stepping too hard on the accelerator of partisanship, so that in their final form the motions offer a not inconsiderable gleam of hope for resumption of the dialogue with the CGIL [Italian General Confederation of Labor] and the UIL [Italian Union of Labor]. Unity, it was said to be: and not only because of the ironclad alliance with Franco Marini but also because the confederal secretariat has in recent years--several times in recent years--reworked the entire middle-level leadership from the generational, political and cultural standpoints.

The EUR [Universal Exposition of Rome] congress was characterized by a large measure of democracy. For the first time each of the 1,031 delegates was able to vote not on "frozen" motions introduced by opposing factions but on 40 final motions that could be amended at will. This did provoke some confusion and agitation in the voting on individual amendments, but for the first time the CISL delegates felt that their role was not limited to holding up their green delegate's card from time to time.

In his lengthy report Carniti reaffirmed forcefully and unhesitatingly the key points of the CISL line, starting with the controversial anti-inflation pact which provides for fixing--in advance--the sharp rises in the cost-of-living escalator below the ceiling on inflation agreed upon with the government (on condition that this ceiling is not exceeded by prices, public tariffs, rent ceilings, and interest rates). He recalled that whereas in 1976 83 percent of the decline in purchasing power caused by inflation was covered by the cost-of-living escalator, by 1979 this figure had already declined to 63 percent. To leave the escalator untouched therefore means to stand by as the standard of living of the working masses steadily worsens, provided inflation is not halted.

For some time, in fact, a measure of concern with respect to the Tarantelli proposal has smoldered under the surface in important sectors of the Left (Bentivogli of the FIM [expansion unknown], Caviglioli of the textile workers, Antoniazzi of the Union of Milan). Carniti's strength within the CISL, however, is based on the fact that only he /has a proposal ready/ [in boldface] for discussion or any other purpose. He could have made some concessions, in his report, to humor the Left but was well aware that the Left would not have voted against him in any case.

Charisma or no, Luciano Lama on the other hand did not hesitate to do battle on this point. He first of all argued that even though the cost-of-living escalator is increasingly unsuccessful in protecting worker purchasing power, it does do a /relatively/ [in boldface] better job in protecting the purchasing power of those workers who are in the lowest pay categories. Altering the cost-of-living escalator, Lama said, would deal a blow to those workers who are most vulnerable (Carniti failed to respond to this objection). Moreover--Lama continued--if we are all agreed on the objective of lowering inflation to 16 percent this year, we can

always come to an agreement on the ways to accomplish this objective; but why force the workers to wage a very difficult struggle to recover--in their contracts--what they lose under the Tarantelli proposal?

Disregarding the polemic skirmishes, however, we find that Carniti--in contrast to Pietro Merli Brandini and Eraldo Grea--is in reality anything but "enamored" of the Tarantelli proposal. In the view of the secretary general of the CISL, every economic proposal presented so far to slow down the rate of inflation is weak from the technical standpoint. Pierre Carniti believes that the strength of the Tarantelli proposal derived from its political significance: that the proposal provided an opportunity for a union which had been backed into the corner of the ring to return to the center of the political contest; make the first move so that it might then impose conditions on everyone; and request not the 16 percent ceiling but a total freeze on prices, tariffs and "fair rents."

For this reason--Carniti says--the real objections to the Tarantelli proposal were of a technical rather than a political nature, and behind this proposal the creation of a "social contract" could be discerned. The hostility toward this "social contract," moreover, came not only from the Communist Party (which--as the principal working-class party in the ranks of the opposition--at least possessed the requisite credentials to oppose such a move) but also from those parties of the majority (the DC [Christian Democratic Party] and the PSI [Italian Socialist Party]) which did not wish to allow Spadolini to take the credit for--or to have the exclusive rights to--any such transaction.

Consequently--Carniti reasons--in order to conclude any anti-inflation social contract a political agreement would have to be created between the majority and the PCI [Italian Communist Party]. But can the union afford to sit by and twiddle its thumbs while waiting for the political situation to develop, or is its task instead to dynamize relations among the political parties by sponsoring comprehensive initiatives for struggle? Above all, and in justification of our making the first move and taking the lead to offer our services, Carniti is convinced that if Spadolini has unfrozen the "fair rent" ceiling and opened the way to increases in tariffs and in stamps for medicines, it is because the union has not in any way offered him its services.

On this point, the Left of the CISL (Bentivogli and Antoniazzi in particular) exploited the weakness shown by Carniti in resubmitting the Tarantelli formula. After what Spadolini has done, they said, it would be absurd to enter into any large-scale conference of the workers on the subject of an anti-inflation platform that would also include the proposal for freezing the cost-of-living escalator. We have established the other struggle objectives vis-a-vis the government for the purpose of controlling inflation and have renounced the famous "Point 10" (specifically, the Tarantelli proposal). Moreover, the amendments to the final motion on this issue have introduced noteworthy openings for dialogue with the CGIL in order to decide upon a joint strategy.

Other points in Carniti's report, however, are destined to provoke considerable debate, most notably the chapter on wages. Other than the concept of the "family wage," the wage policy proposed by the CISL for the forthcoming contracts contrasts with two other chapters: the "principle of equality" (a minimum wage equal for all; a minimum old-age stipend; and equal contractual and labor-union rights for all categories, for the public sector, and for the sector of small and medium business) and the issue of "professionalism." Concerning this latter question, Carniti's

report presents--together with some interesting insights--certain dangerous underestimations which were subsequently aggravated by the amendments to the motions. To speak of a mere reconstruction of the wage differentials, Carniti said, is not enough. What are the elements of professionalism? Experience, academic qualifications, responsibilities in respect to production, managerial duties? The report resolves the entire question by calling for a "wage linked to the quality of work," which as an operative formula for the upcoming contracts appears to be somewhat vague, not to mention the excessive emphasis with which the CISL secretary proposes processes for downgrading job classifications while passing over in silence the diametrically opposed processes that are actually being implemented in connection with the restructuration of Italian industry. Accordingly, in an amendment to a final motion concerning the policy of an alliance of the working class with white-collar workers, technicians and cadres, the word "cadres" was simply eliminated.

A stronger and more convincing part of the report concerns a reduction in hours of work--an objective which for the CISL (in contrast to the Tarantelli proposal) is valuable from a strategic rather than a tactical standpoint. Another pivotal point in the CISL strategy is the solidarity fund. The instruments and objectives of the proposal are well known: a deduction of 0.5 percent from the workers' pay envelope to finance a fund to undertake productive initiatives in the South and promote self-management in the advanced tertiary sector, in the distribution sector and in the civil service. This is designed to give the workers an instrument for control of the process of resources formation, with the alternative being (according to the CISL) either a type of development--entrusted to the private sector--that would restrict wages in favor of profits, or a type of development entrusted to public investment accompanied by an intensification of fiscal pressures. The fund, Carniti says, does not exclude planning, the reform of the State Participations, or the role of the banking system, but one cannot wait for Parliament and the public institutions to act. Bentivogli says he is pleased most of all that the decree concerning the 0.5 percent deduction failed, because--he says--it was a /tax/ [in boldface] deducted by the state and of uncertain destination. In the motion concerning the fund, the secretariat intervened and achieved an agreement but at a high price: greater importance was given to planning, to control of investments, to the "first part of the contracts," as Lama had urged. The idea of the "compulsory supplementary contribution" had vanished: the 0.5 percent would come outside the framework of the contributions that are already being deducted from the workers' pay envelope. Moreover, a condition was posed whereby the state would allocate subsidies to the fund to guarantee its solvency and payment of the interest to the worker "members." This is basically the point concerning which the secretariat "paid the highest price" in order to negotiate a compromise with the industrial categories: it did so to save an idea and a proposal which obviously have an important place in the CISL strategy.

A final--and sensitive--issue that enlivened the EUR congress was the question of trade-union unity. There was one passage in the report by the secretariat that could lend itself to rather dangerous interpretations. In substance, this passage called for confirmation of the concept of the /unitary/ [in boldface] delegate, elected by secret ballot and without excluding (as is too often the case) vocational and political minorities. But because this delegate is "unitary" and therefore cannot influence the decisions of the individual organizations (the CGIL, CISL, UIL), a CISL representation "with power to intervene" must be reconstructed

at the factory level. In this formulation the danger is that the delegate will no longer in fact be unitary but will be elected on the basis of his membership in a particular organization, and that he will be more responsive to that organization than to the group of workers which elected him. Also concerning this point, the CISL Left has carried out an important task of mediation (or of a "correct interpretation of the texts," which is the usual phrase). It has forcefully defended the existing structure of the council of delegates and the independence of the council vis-a-vis the confederations.

In conclusion, how has the CISL emerged from this Ninth Congress? It has emerged from the congress projecting the image of a "European labor union" that is searching for new ways to wage a united struggle against inflation, for development and for a new quality of life. What then? After the "intoxication" of his great personal success, how does Carniti view the future? Perhaps this way: the agreement with the government will not be concluded and each side will reaffirm its own positions for partisan reasons, following which unity among the CGIL, CISL and UIL will be reestablished with respect to the contracts (also thanks to the extremely rigid and arrogant intransigence of CONFINDUSTRIA [General Confederation of Italian Industry]), in which among other things the positions of the FIOM [Federation of Those Employed in Metallurgical Industries] with respect to reduction of the work-week will be quite close to those of the CISL. From the strategic standpoint, Carniti probably believes that for a number of years trade-union unity will be unable to make progress unless there is a change in the relationships among the political forces.

#### Carniti's Personal Triumph

Rome RINASCITA in Italian 16 Oct 81 pp 7-8

[Article by Fabrizio D'Agostini: "What Does This Have To Do With Pastore and Solidarnosc?"]

[Text] It is undoubtedly to Carniti's great credit that he has imparted a unitary orientation to the CISL, and the unitary concepts, objectives and language of the CISL leaders appear to be much farther removed than they are in actuality from those which always--one may say--until a couple of years ago had evoked strongly contrasting viewpoints. What is more important both for the workers and for the labor and trade-union movement is the fact that this unitary orientation is not founded on ambiguity: the views expressed by Carniti concerning the irreversibility of a trade-union policy constructed in concert with the CGIL and the UIL--or concerning a political system and a democracy that are "frozen" to the extent that even the PCI would be a "government party"--appear to make a distinction with respect to the role that the CISL will choose to play as a "political entity" in Italian affairs.

This appears to be the image of itself that the CISL has projected at its Ninth Congress; and if we speak of Carniti it is because we believe that it is he himself--with his personal history and his personality--who has in large part constructed, and made possible, a united CISL and its current policy. In particular, his conception of--and belief in--a direct trade-union role free from intermediation constitute a guideline for all officials of the organization: an organization which throughout a period of 30 years has consistently attempted to impart to trade unionism an original physiognomy distinct from the older (in tradition and influence)

variety of trade unionism: the socialist and communist variety. Only in one sense is the parallel (suggested by Vittorino Colombo) between Pastore and Carniti valid: Pastore, drawing his inspiration largely from the American trade-union model, attempted simultaneously to find some room in the CISL for the big CGIL and to get out from under the very onerous Christian Democratic "mortgage," whereas Carniti, by means of a revival that is not only political but cultural as well, is attempting to restore a strong influence to a strictly trade-union initiative in a society that is in crisis--a society where, for example, the "sea" in which a labor union naturally "navigates"--the "sea" of income distribution--has largely dried up. The parallel does not go beyond this point, because with respect to the role of the trade union and trade-union action the ideas of Pastore and those of Carniti appear to be very far apart. Pastore's trade unionism was naturally subordinated to capitalistic development, whereas Carniti's trade unionism tends (as has been said) "to engage in politics and remain a trade union." It could prove to be very troublesome within the political system, especially for the DC, a party that is quite incapable of playing--except in "collateral" matters--an autonomous role, or having an autonomous presence, in Italian society. The illusion that the situation is not as described has made the attempts of Christian Democratic leaders (with Piccoli in the vanguard) to present themselves as the political and ideological mentors of Carniti's CISL appear to be downright stupid.

In no way is this a paradox: indeed, Lama's forthright polemic, and the welcome it received from the congress and from Carniti himself, suffice to show that the CGIL, CISL and UIL are all "in the same boat" (a boat, to be sure, that is hard to steer) while the quite unsolicited Christian Democratic compliments by themselves reveal how different the course followed by Piccoli's party is from the course taken by the labor union of Catholic inspiration. If this is indeed the way things are it will also be advisable not to underestimate the danger posed to the unitary trade-union movement by the continuing dissension within the federation, and by the inability of (or impossibility for) the movement to translate a policy which regards the workers as protagonists of a solution to the crisis into mass action and into a relationship with the masses. It is likewise advisable not to underestimate the danger posed to the entire trade-union movement by an attack on union autonomy, on the role of the union, or on the decisions of the union. The CISL is indeed not immune to these dangers; quite the contrary. The unitary orientation of the CISL does not conceal the astronomical distance that separates what is said (for example) by the leadership of the FIM from what is said by the leadership of the commercial union with respect to policy concerning union demands and the role of the trade union. These quite normal differences within an organization (differences which clearly do not prevent unity) should inspire in Carniti greater caution in affirming that while there are, in the union movement, a communist current and a socialist current, it is the "trade union" current that the CISL represents--as if a trade-union current could be homogeneous, and as if someone who regards it as communist or socialist were incapable of having his own ideas concerning trade-union autonomy.

In his report Carniti again propounded all the key points (solidarity fund; intervention in the question of the cost-of-living escalator; hours of work) concerning which the CISL seems to want to characterize its own original action in Italian society and in the political system. And he confirmed these points in his conclusions, despite certain authoritative entreaties in behalf of a measure of flexibility. His faith in his ideas is not surprising, or rather, his faith in his proposal to start with

choices that should make possible a unitary movement and unitary action in behalf of the world of labor and, more in general, in behalf of the democratic development of Italian society. It would, frankly, not be reassuring--from the standpoint of unitary tolerance and unitary purpose--if instrumental choices (to enhance the role of the trade union and of the workers) were exchanged for choices of faith. The same is true (again, with respect to Carniti's report and conclusions) of the conceptions expressed concerning the political role of the trade union: once it has been established that this role cannot be challenged and that anyone who would want to return to "collateralisms" and "conveyor belts" would be guilty of self-deception, it is "out of line" to relate this role (as an outgrowth of the very climate at this CISL congress) to the experience of Solidarnosc. The Polish political system is not the Italian political system: the absence of democracy has caused Solidarnosc to assume a completely anomalous role, most likely to the detriment of its own unity and the effectiveness of its action. Here in Italy, the purpose of the "political activity" of the trade union (if the history of the labor movement of the past 10 or 12 years has any meaning) is not to create democracy but to enrich it.

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CSO: 3104/27

## HOUSING MINISTER VAN DAM PROFILED

Amsterdam ELSEVIERS MAGAZINE in Dutch 10 Oct 81 pp 22-26

[Article by René de Bok: "A Bulldozer in the Catshuis"]

[Text] In the 1960's New Leftist Dr Marcel van Dam built castles in the air for fellow party members; in the disenchantment of the 1980's the new minister of housing is concentrating entirely on down-to-earth matters: housing construction programs for the lowest-paid, rental and subsidy policy, housing improvement. Just to look into a few of Van Dam's side streets. He is not a newcomer in the strict sense; in the Den Uyl cabinet he handled rental policy as a secretary of state. With venom and great tactical insight.

## Aptitude and Experience

The experience gained by Dr Marcel Parsival Arthur van Dam, 43, extends to a large number of sectors of public life. He is the son of a policeman from Utrecht, and attended the university in the same city; he first studied to be a notary, then switched to sociology. Van Dam early showed interest in the achievements of technology. He learned to make use of the computer, which was still looked upon with suspicion by many of his fellow scientists. He wrote two papers for his doctoral examination, one on election sociology and one on the deideologization of politics.

His emergence from anonymity was a fact when he revealed himself as a gifted election forecaster. In February 1967 he became flatteringly known as "ballot-box prophet." An authority that he confirmed in later studies in Zwolle, Flevoland, and Helmond. The PvdA [Labor Party] appeared interested in the scientific phenomenon, and Van Dam landed in the Wiardi Beckman Foundation, the PvdA's scientific bureau. An attack on the party hierarchy (secretary of the party committee) failed because the then leader Vondeling put a stop to it, but the hand he eagerly extended toward the television medium was gratefully seized.

Marcel van Dam, the somewhat indolent-looking Utrechter, as the first European TV ombudsman, developed in record time into a national television personality. Van Dam scored higher than the Mounties. With Willem Duys and Mies Bouwman, at the beginning of the 1970's he was top of the bill. Four million viewers were gathered around the television when the Ombudsman came on the screen. The TV

became a strait jacket and Van Dam the registered trade-mark of the little man.

In the Den Uyl-Van Mierlo shadow cabinet a place was reserved for Van Dam as secretary of state for old-age insurance. Together with his friend Koos Postema, he made his entry into the chaotic structure of the Ministry of Housing. In the spring of 1971 in "Koos' Klein Uur U" (Koos's Little Hour U) he launched "the great plan for solving the housing shortage": a part of the wage increase would be put into a building fund which would be used to finance cheap housing. Van Dam called it "a test of national solidarity."

In later years he turned back from this sort of foolhardy ideas. Today he even says he doubts "whether the housing shortage will ever be overcome." In spite of his cynicism, in the Den Uyl cabinet he very quickly developed into an expert of stature, proof against the traps and stratagems of democratic decision-making. Van der Louw, the present minister of culture, recreation, and social work, once said: "Marcel has so much feeling for communication that he weighs the effect of everything he does before the TV." That showed up in his TV cross-examination by the Socratic method: "The Other Side of Equality." Score for ability and experience: 88.

The Van Agt II cabinet has seven first-time ministers: Van Thijn, Van der Louw, and Van Dam from the PvdA; Van Mierlo, Terlouw, and Zeevalking from D'66 [Democrats '66]; Van Dijk from the CDA [Christian Democratic Appeal]. Elsevier is conducting a study of the quality and weight of the new crop. Determining factors for the final score are: 1) ability and experience, 2) character traits, 3) presentation, 4) standing within the present coalition, 5) standing within their respective parties, and 6) standing on the outside. Van Thijn, minister of internal affairs, scored an average of 71, and Terlouw, his colleague in economic affairs, made 72.

### Character Traits

The experienced wire-puller Anne Vondeling cared nothing about becoming party chairman in 1968 if he had to take Marcel van Dam as secretary into the bargain. Vondeling considered Van Dam unfit for the job because of "his lack of administrative and organizational experience." So he said. For Vondeling was in mortal fear that Van Dam would blow away his authority, reputation, and political intrigues. In 1973 Van Dam did not get the post of secretary of state for old-age policy in the Ministry of Culture, Recreation, and Social Work [CRM] because Van Doorn, the CRM minister, foresaw difficulties on the personal plane. He feared Van Dam's bulldozer tactics. Van Dam himself makes no secret of that: "I am aggressive by nature and my rage must find a vent."

He is a fierce enemy of false modesty, quasi-propriety, and using cautious language in the diplomatic sphere. When he coolly remarked that Beelaerts van Blokland, the previous minister of housing, was "responsible for the fire with which Secretary of State Brokx got burned," fellow party members protested that "you cannot deal that way with people." Van Dam said: "The same people said: 'How will we get rid of the fellow.' I cannot help it. For my character this is a very difficult world."

Van Dam is a cynic, who has destroyed the New Left's castles in the air one by one. Today he is more interested in cheap housing than in ideological handstands. Few break through the armor of his outward indifference. He himself says: "I do believe that I am a socially sensitive person, but I find it weird that people take you for what you are not--a sort of angel that goes into battle against injustice."

In the Van Agt II cabinet there is a certain uneasiness about the Van Dam phenomenon. Because Van Dam was once the drafter of the anti-KVP [Catholic People's Party] resolution, the CDA ministers cherish a distrust of the housing bulldozer that is hard to get rid of. It bothers some that Van Dam is all too confident that he is right, and there is a horror of the mentality of the dynamic salesman. Once when he had delivered a surprising plea for cooperation with the denominational parties, André Kloos remarked to him: "You will not make yourself popular that way." To which Van Dam answered: "No, André, and that is the reason you would never have said it." His sharp tongue is a weapon that carries the risk of a boomerang effect. Just as his somewhat close acquaintance with the glass is not without its risks.

Character traits: 55.

#### Presentation

An anti-Van Dam article by Martin van Amerongen in VN [VRIJ NEDERLAND] in 1972 concludes: "If Van Dam, e.g. in 1975, makes such a mistake for the third time, he will have bred such a big reserve of enemies in the years that lie behind him that he will run a great risk of no longer being to survive such an affair. But perhaps by that time the post of director of social service at Bolsward will be vacant."

The idea that is absolutely the sole basis of that view is essentially naïve. Van Dam has many strings to his bow. And one of them is a great talent for the presentation of his political convictions. He was the first to realize that an effective use of the television medium gives a position of power that stands out far above the influence and range of action of the ordinary member of the Second Chamber. Because of his earlier rôle of Ombudsman, Van Dam is now in a position to transmit his message to a large and varied public. In 1971 he was the most popular TV personality after Willeke Alberti; in the race for the Television Ring he got twice as many votes as Mies Bouwman. Van Dam says: "I have not got that feeling for glamour. But people do think: 'That fellow could send you a message.'"

While Jan Schaefer, ex-secretary of state for housing, tried to push his broad figure in the rôle of working class hero, Van Dam directs his presentation to a larger field: with his somewhat broad Utrecht accent he is acceptable to the rank and file, while his moderately intellectual peasant craftiness, his alert verbal performance, and his Socratic debating technique easily win the approval of the so-called intelligentsia.

In the Second Chamber his demeanor was hard and direct. While former secretary of state Brokx did not much care to criticize his predecessor Van Dam, the latter quite calmly let it be known that Beelaerts van Blokland and Brokx left a bankrupt estate behind them. By the force of his words Van Dam can steer a

policy through the Second Chamber that would never have made it without superior presentation.

Score for presentation: 90.

#### Standing Within the Present Coalition

There are two aspects to the coexistence, peaceful or otherwise, between Marcel van Dam and the Christian Democratic office-holders. One aspect has to do with the anti-denominational tendency of his political views. Nobody will ever forget that Van Dam was the inventor of the KVP resolution. Back when he was a student he was an active member of the KVP. When he became a freshman member of the Second Chamber the break with the past became a reality. Van Dam says: "When I saw in practice the powerlessness of denominational politics I renounced my membership." Even after the Christian Democratic concentration came about, Van Dam made his antipathy public: "The CDA will slowly lose its position of power and die."

Van Dam's early history weighs heavily on his functioning within this cabinet. But although this element is dominant, a second aspect is not without significance: Van Dam does not belong to the category of radicals in the PvdA. On the one hand he is one to push things through; on the other, while not a politician who is blind to the fickleness of public favor, he is not one to wear blinkers and deny every process of change. When from the point of view of pragmatism Van Dam judges that cooperation with the CDA serves the interest of the PvdA, then he opts for it unconditionally. He avoids the trenches of "witness" politics because this form of political activity brings no grist to the mill. He says: "Politics has a close relation to getting into power. And as soon as you are not in a position to get into power, it makes no sense to work with splinter parties. With maybe two, three, or four seats. I cannot see the good of it; I would not go in for it. For whenever I throw myself into something, I hope for results. My activities are always closely related to what I expect to achieve."

When he launched his "solution for the housing shortage," he unexpectedly found Udink, the minister of housing, on his side. To the great discomfiture of Van Dam's fellow party members. Van Dam hardly let that bother him at all: "Everybody that favors the plan is my ally, including Minister Udink. Although I see that some people of the Left seem to feel that if Udink wants the same thing as I do, the goal toward which we are striving can no longer be good. I do not rule out the possibility that that sort of reasoning is partly responsible for the fact that the housing shortage is still our biggest problem."

That sort of utterances reduce the Christian Democrats' distrust slightly. For the rest, Van Dam's position stands or falls by the support that Den Uyl will give him. Van Dam is one of the most important figures in Den Uyl's think-tank, and that being so there is a link between the fates of the two PvdA politicians that Van Dam can well use in his very wobbly position within the coalition.

Score: standing within the present coalition: 54.

#### Position Within His Own Party

As Den Uyl's confidant Van Dam appears to have a claim to a certain good will within the party. Under the direction of Tom Pauka of VARA [Workers Amateur Radio Association] Den Uyl debated with a Van Dam who constantly assumed the semblance

of one or another political opponent. By turns Van Dam played the rôle of Wiegel, then Andriessen, and sometimes even Van Agt. Den Uyl believed so much in Van Dam's performance that he got genuinely angry at the figures that Van Dam was portraying. In the present PvdA, however, Van Dam's rôle-playing is greeted with suspicion. Some regard Van Dam as deadly tiresome, as a plague; others show little confidence in Van Dam's political backbone. They have seen the New Leftist change into the *Realpolitiker* (German: practical politician).

Van Dam says that his position in the party is undermined by his preference for a voice of his own, an independent style of thinking. "I do not fit so well in this PvdA. You have to be rather uncontroversial. Not utter any deviant sound." Van Dam is of the opinion that a politician must not promise his supporters more than he can deliver. A politician that is always listening for ideas from the rank and file is not worth a straw, according to Van Dam. Van Dam's position is that the PvdA has need of a sort of devil's advocate to test the socialist dogmas fundamentally. And he has a thoroughgoing dislike of the parlor socialists of the PvdA congress who slavishly rally behind the proposal to introduce a 4-day work week, without taking account of the ultimate price to be paid for such a suggestion. Van Dam called the late godfather of the CDA, Prof Duynstee, a breathing-spell in politics, and characterized Lubbers, the chairman of the CDA parliamentary delegation, as a twister. Neither of these remarks was gratefully received in the PvdA. Van Dam says: "I started out on the left in the PvdA. At a certain moment you come to pass for a rightist, although I for my part do not have the idea that I have changed much in my views. Then you almost get the idea that the party has partly pushed beyond you."

Score: standing within his own party: 47.

#### Standing on the Outside

By his ombudsman program Marcel van Dam built up a good will on the outside that is still paying off. It must not be forgotten, however, that that good will is mostly among the older generations. For that reason it is not surprising that in 1971 Van Dam was asked to take his place as secretary of state for care of the aged in the shadow cabinet. Van Dam's view of the politician's task falls on fertile ground: "The condition for a real renewal in politics is that politicians plunge anew into the daily problems of the voters. Politicians must go back to making house calls."

Van Dam will presumably meet no significant opposition in public opinion; he will have to take into account, however, the fact that interest groups among public employees, the housing societies, the real-estate brokers, or mortgage banks view the new minister with some reservations. If Van Dam immediately raises the question of tax exemption of mortgage interest at 300,000 guilders, he will be broaching a politically delicate issue that will demand the utmost of his powers and of his good will on the outside.

Van Dam possesses an important support in publicity in the person of Koos Postema. Van Dam's position in the media is still stronger than in parliament. The opposition will not soon forget how Van Dam attacked the ministers of the previous cabinet, or how Van Dam was involved in a threat of a cabinet crisis under the Den Uyl cabinet. He launched his rent increase proposal on a "like it or lump it" basis, with the unmistakable undertone of the man who is not afraid of a crisis if it comes his way.

The credit that Van Dam is throwing away or squandering in the younger generation is important. Van Dam promised to make building for younger people a principal policy objective. If he does not succeed in that, his credibility will be on the skids.

Score on standing on the outside: 68.

Dr Marcel Van Dam's average score: 67.

8815

CSO: 3105/29

## DO AMARAL DEFENDS PARTICIPATION IN BALSEMAO'S GOVERNMENT

Lisbon FOLHA CDS in Portuguese 3 Sep 81 pp 1, 3, 4

[Interview with Freitas do Amaral, deputy prime minister and minister of Defense and prominent CDS leader, by DIARIO DE NOTICIAS, on 28 August 1981]

[Text] [Question] There are those who say that you are going to become a member of the government against your will and that you are only doing this, because, after the development of the political situation, you had no other alternative.

[Answer] I am not entering it against my will. I am entering it of my own free will and almost a week after my decision, I do not regret it. I think that I made the most correct decision and, in that connection, the other alternatives were worse. But the leaders of PSD [Social Democratic Party] and PPM [Popular Monarchist Party] have told me expressly that my refusal to participate in the government, followed by my possible election as president of the Assembly of the Republic, would also be perfectly acceptable.

I believe, however, that, at this time, my membership in the government was the best, but not the only, way of defending the AD [Democratic Alliance].

[Question] Your inclusion in the government is said to imply--in the opinion of some observers--revival of warfare between the AD and Eanes. Is there any basis for this inference?

[Answer] I understand that it has no basis at all. The strategy of the AD with regard to the president of the Republic, after his reelection, was established in a summit meeting held in December 1980. That is the strategy that is being followed and it must continue to be followed.

In short, it consists in the following: the results of the 7 December election must be respected by the AD, but the results of the 5 October election must also be respected by the president of the Republic. There must be institutional cooperation between the organs of sovereignty and especially between the government and the president of the Republic. If General Eanes pursues a personal political project, that activity must be denounced and any invasion of the spheres of competence peculiar to the AR [Assembly of the Republic] or the government must also be criticized. I still believe that this strategy is correct. I have already said and I repeat: I have never defended and I am not defending any institutional warfare.

[Question] Instead of being a factor of cohesion, the presence of the three AD leaders in the government may give rise to internal conflicts by causing a clash of competencies. In what way do they plan to prevent those possible conflicts?

[Answer] It is strange that while two AD leaders were outside the government the criticism came up that things do not work that way. If the three are in the government, then there is speculation that they are not going to get along with each other.

I think that this presence is, in fact, going to be a factor of cohesion, also because it makes three-way meetings possible much more frequently.

With regard to possible conflicts of competencies, I see no reason for them to come up. There will be only one prime minister. The other two leaders will head one or more well-defined departments, although they will certainly be associated by the prime minister in the general orientation of the government. This plan already worked in 1980, although only with two, and it proved its effectiveness.

[Question] Are your relations with Pinto Balsemao cordial, in order to allow good functioning of the government? It is noted that, in the opinion of some observers, you will find it hard to resist the temptation to become the "strong man" of the executive branch.

[Answer] My relations with Dr Francisco Balsemao are of the best and they do not date only from now. I am certain that our collaboration will be excellent.

With regard to the speculation contained in last part of the question, I know that it is now being made by the opposition and it is probably going to continue to be made. It is a traditional method used by oppositions in connection with coalition governments. We must not let ourselves be impressed by those arguments. Insofar as I am concerned, I am acting in good faith and I am not joining the government with reservations. I believe that the AD is strong enough and sufficiently united to overcome successfully those and other attacks that certainly will be made by those who have never done as much or anything better than we.

[Question] Will not your activity in the AD, through participation in the executive branch, give the executive branch a rightist nature, with an accentuation of the conservative component of the AD to the detriment of the social democrat component?

[Answer] I do not see how my participation in the government could contribute to weakening the social democrat component that expressly wanted my membership. And why should I give this government a rightist nature, if I have never been a man of the right, but rather of the center? Christian Democracy is not a conservative ideology, as everyone known, but rather it is thoroughly reformist and even, in some cases--as in present-day Latin America--essentially revolutionary.

The CDS [Social Democratic Center Party], which the socialists regarded as genuinely of the center in the time of the PS/CDS government, has not changed its nature merely by allying itself with the PSD and the PPM.

/Question/ Will the fact that you are entering the government affect your availability in the UEDC /European Union of Christian Democracy/? On the other hand, on entering the executive branch, do you not thus cease being an "AD reserve"? What comments do you have to make?

[Answer] Insofar as I am concerned, I do not regard participation in the government as incompatible with the presidency of the UEDC and the prime minister-designate stated the same thing, when I put the question to him. It remains to be known if the UEDC will prefer to choose a more operational president than I could be as a member of the government. Naturally, my post as president is available to the UEDC.

With regard to the "AD reserve," it is known that it was not for that reason or with that intention that I did not become a member of the government in January, but rather because of consistency with earlier statements. I could much less now stay in the reserve, when the crisis through which we are going is jeopardizing the very survival of the AD. We are in a phase of general mobilization and, in this phase, reserves are not increased. On the contrary, the reservists are called up.

[Question] Was not the farewell praise that you made of Dr Balsemao, which was not well received in the PSD, somewhat hasty, all the more so since the return of the president of the social democrats has taken place?

[Answer] The praise that I made of Dr Balsemao was sincere and was based on the conviction that he has resigned in earnest. If the praise was regarded as hasty only because he returned later, that is an implicit admission that the prime minister was only making a personal tactical play. That was not my interpretation.

[Question] If the PSD "critics" were to resume hostilities against Pinto Balsemao, with you now in the government, what would be your attitude?

[Answer] I think that today the circumstances are very different and that history does not repeat itself. Nevertheless, I have no hesitation whatsoever in answering your assumption. If criticisms of Dr Balsemao while he is head of a government in which I am participating should be involved, I would be in solidarity with the prime minister. If it should be a question of criticisms of the president of PSD I would respect my obligation to maintain neutrality, because I belong to another party. After all, that is what the CDS ministers in the Seventh Constitutional Government did and did very well.

[Question] Do you go along with the statement by Eurico de Melo according to which the previous government was one of transition and of weak memories?

[Answer] It is obvious that all governments are of transition, including the ones that precede and the ones that follow. Sincerely, I find that there is a very important aspect in the recent statements made by Engineer Eurico de Melo. It is the aspect of public support of the Eighth Constitutional Government. With regard to the Seventh Government, it had my support and my party's support. Therefore, it is not up to me to single out positive and negative aspects that are always found in any government.

[Question] You are accused of venerating excessively the memory of Sa Carneiro, attempting in that way to take over as the true heir of the former PSD leader. Do you not believe that missing Sa Carneiro excessively may be fatal to the AD, insofar as AD would only be Sa Carneiro and Sa Carneiro alone?

[Answer] I do not claim to be anyone's heir, but I regard it as perfectly normal--and necessary--to venerate the memory of San Carneiro who was the first leader of AD and who proved to be a great statesman and a great Portuguese citizen. Those peoples who do not cultivate the memory of their leaders, of their saints and heroes are indeed unfortunate!

Therefore, I believe that praising Dr Sa Carneiro, continuing his work, following his example are not manifestations of sad longing, but rather acts of justice and intelligence.

It is not a question of claiming exclusive ownership of a heritage, but of performing the duties stemming for all of us from a political legacy that we must not let die out.

Of course, because the AD cannot only be the memory of Sa Carneiro, it could also not be the forgetfulness of Sa Carneiro. I believe that we all agree on that.

[Question] In your opinion, how can the constitutional revision be processed as fast as possible?

[Answer] The constitutional revision has been processed much too slowly and a great effort must be made to accelerate its processing greatly.

It is not difficult to devise a set of measures to make it possible to proceed faster: more meetings lasting longer, more assiduous attendance by the deputies, more direct involvement in the process by the party leaders, establishment of a precise schedule by mutual agreement, and so on, and so on.

It remains to be ascertained whether or not there is a political desire to act in that way. On behalf of the AD--and especially on behalf of the CDS--I can ensure you that there is. It is up to the FRS /Republican and Socialist Front/ and especially the Socialist Party.

[Question] Do you intend to be a candidate in the 1985 presidential election, presenting yourself to the voters as the AD candidate competing, for example, with Mario Soares?

[Answer] I absolutely refuse to speculate in 1981 on what I shall do or shall not do in 1985.

[Question] Do you believe that this government is going to last until 1984?

[Answer] I have no gifts of prophecy, but I can assure you of three things. First, that this is our objective; second, that it would be very bad for the AD, for democracy and for the country, if that should not happen; third, insofar as I am concerned, I shall do everything possible to bring that about.

[Question] In conclusion, would you discuss the issue of local government elections? Do you believe that the parties should compete separately, or do you advocate joint AD tickets in all the local governments?

[Answer] I think--and that is also the point of view of the CDS--that the AD should compete on joint tickets in every local government. But we are ready to discuss possible exceptions to this general rule, if perhaps the PSD or the PPM bring them up. As you know, Dr Francisco Balsemao proposed to the National Council of PSD, last June, that an agreement should be entered upon between the three AD parties--the so-called "protocol" for local government elections--in which that general rule and possible exceptions to it would be confirmed. This proposal was approved by the PSD and, subsequently, also by the CDS and the PPM.

From the point of view of principles, the main idea is, therefore, missing. It still has to be put in writing now. I believe, for various reasons, that the PSD should be the one to submit to its AD representatives the draft of the local government protocol. In my opinion, it would be advisable for that document to be able to be signed by the end of the year. January 1982 is not early for beginning to implement an agreement with a view to elections to be held probably in December. Consequently, the tickets will have to be ready, for sure, in September 1982.

That, however, is not the most important thing. The AD must regain self-confidence and must show that it is capable of remaining united, of governing effectively and of solving--both on the national level and on the local level, the great problems of the Portuguese people: education, health, housing, the economic crisis, improvement of living conditions of the most underprivileged, regionalization, constitutional revision, membership in the European Community.

I am certain that this will happen. And, if it does, victory will be ours. Not only in the 1982 local government elections, but also in the 1984 legislative election and in the 1985 presidential election.

10,042

CSO: 3101/1

## MILITARY-RESTRICTED AREAS TO BE FURTHER LIMITED TO FOREIGNERS

Helsinki HELSINGIN SANOMAT in Finnish 17 Oct 81 p 3

[Article: "Movement of Foreigners to be Limited Along Finland's Coast"]

[Text] The movement of foreigners will be limited in the vicinity of military facilities along Finland's coast. In a few weeks the government will define certain "areas important from the point of national security" as restricted areas and at the same time will place limits on the movement of foreigners in these restricted areas.

The restricted areas will include forts along the coast, their nearby waters, and firing ranges. No restricted areas are planned for the interior.

Limitations on movement will apply particularly to boating. Foreigners and foreign boats may move along the channels even in restricted areas, but permission will be required in order to diverge from the course, stop, and anchor. These limits will not apply to the movement of Finns.

With the statute issued on Friday the government received the authority to determine restricted areas and limits. The statute will go into effect next Wednesday already.

The Ministry of Defense justifies these limits by the fact that in recent years officials have observed an increase of foreign pleasure boats in Finnish territorial waters. These boats have frequently operated against the regulations and "have committed violations of the law in our territorial waters".

The Ministry of Defense notes that international law does not prevent the establishment of restricted areas and in many Baltic countries, in Sweden, for example, such areas have been in existence for a long time already.

10576

CSO: 3107/14

## MILITARY OFFICERS, INDUSTRY LEADERS DEBATE MRCA PROPOSAL

## Army Chief Questions Adequacy

Stockholm DAGENS NYHETER in Swedish 22 Oct 81 p 32

[Report of interview with Gen Nils Sköld by Peter Bratt]

[Text] "I do not think it is right to call me a guided missile fanatic, as I think there is more reason to say that those others are airplane fanatics. All I have been trying to say is that we must take a position on the whole problem--planes and missiles--and not just talk about the plane," Gen Nils Sköld says when he explains his views on the MRCA question more fully.

The army chief is seated in the Bastion on the Lidingöväg, Sweden's brand-new Pentagon. It is a stiff, rectangular, modern glass and concrete building, right beside the old K 1, which is military in an old-fashioned, homey way.

In the Bastion the corridors are straight as an arrow and the modules lie tight, tight as cells in a honeycomb, and here war is waged in mathematical formulas and calculations in so-called "Krigspiel."

The army chief has a corner office with a view over the Östermalm sports field, which lies empty in the autumn rain and wind. He talks fast, so that the words sometimes tumble over each other, and concisely. His glance is sharply attentive.

## Much Power at Stake

He has once more annoyed many powerful interests with his uncompromising stand. He has emphasized that it is not a question of any private individual opinion, but the result of long discussions and consultations throughout the army staff, but still, a couple of flights up in the same building, in the air force staff, they are swearing about this damned Sköld. His criticism of the Swedish JAS [fighter-bomber-reconnaissance plane; referred to below by the NATO equivalent expression MRCA: multi-role combat aircraft] project involves Sweden's second biggest industrial project--Viggen was actually bigger--and a lot of money, a lot of power, and a lot of prestige are at stake.

## Both Planes and Guided Missiles

Thus far only his criticism of the motor has been published, but that, in spite of everything, is just a detail. He himself feels no need to "justify himself"; his arguments are to be found written down in various documents. But for the sake of the public and the politicians he agrees to develop his thoughts on the problems in greater detail.

"Everybody agrees that we must have a system including both planes and guided missiles, but recently only the plane has been discussed, and the other part, how we shall develop rockets and guided missiles and what types we shall have and what the balance shall be between planes and guided missiles, has dropped out of the picture," he says.

JAS [or MRCA] stands for a weapons system that will perform a fighter function, i.e. carry out antiaircraft defense and meet the enemy's fighters, bombers, and cruise missiles; it will also perform a bomber function and resist invasion attempts over the sea and then knock out troop transport planes, unmanned fighters, etc., and also block off communications to the rear and attacks overland, stopping the enemy's flow of military communications; lastly, there is also a reconnaissance function; i.e., where is the enemy and what shall we hit him with?

### "It Is Not Just the Motor"

"The fighter function is a starting point, and it must be good enough to be able to take up the fight against the enemy's planes. By the year 2000 the Soviet Union will have planes that are at least as good as the F16 and F18 that the United States has in operation today, and the United States will have still better planes.

"In that context I do not consider that the Swedish MRCA project as it has been presented meets the demands that must be made on it. That applies not just to the motor but the demands made on armament, electronics, fire-control system and countermeasures. The Swedish MRCA project has such narrow margins when it comes to carrying extra weight that it has inadequate potential for keeping up with the course of development.

"Before the 1982 defense bill we should know that for a long time to come we shall need planes, especially fighters, but we cannot say now how many planes. There must also be a real possibility of shifting the balance between planes and other weapons, such as coast-defense rockets, antiaircraft rockets, etc. The defense plans will be adopted in 1987 and 1992, and if we commit ourselves now to a Swedish MRCA, that will make it hard to weigh these things against each other."

### The Planes Must Be Complemented

Nils Sköld considers that fighter planes are needed for air defense, but that they must be complemented by antiaircraft guided missiles, especially in exposed areas like Scania, Gotland, and the rest of Norrland. Both planes and guided missiles are necessary, but it is necessary to keep the possibility open at all times to adjust to technical developments.

"As far as the bomber function is concerned, it can certainly be taken care of in other ways over the long term, with submarines, with vessels that are concealed in the skerries off the coast and have guided missiles on board, and with coastal guided missiles grouped on shore. And for close combat there can be helicopters

that fire rockets at the enemy, and at a greater distance ground-based rockets with various types of target-seeking devices. That is a long-term question, but the possibility of influencing the balance must be kept open."

He reasons in much the same way concerning the reconnaissance function.

And then comes the main argument. Swedish production of a new plane calls for a large production before it would be economically justified, partly because the development costs are so great. Sköld considers that 200 planes is the minimum. That would cost far more than the allotted 25 billion [kronor]. Such a decision would freeze the future possibilities of changing the balance between planes and guided missiles. Regardless of whether technical development made the plane more vulnerable, less effective, and quite simply obsolete, we would be compelled to continue with these--by that time--unwanted planes.

Sköld cannot claim any more than anybody else to be in possession of the truth concerning future developments. But his point is that when the uncertainty and the risks of a Swedish MRCA are so great, it is better to find a solution by which it is possible to keep our hands free without losing military striking power or incurring increased costs.

#### "More Jaktviggens"

"If several more divisions of the Jaktviggen are produced--as the Supreme Commander of the Armed Forces proposed in his alternative to the Swedish MRCA--and provided with air-to-sea guided missiles, they can replace the bombers that are going out, and the decision on future plane systems can be postponed until 1987. The replacement of the attack planes would then not need to take place before 1995.

"The air force's strength would be maintained, industry's production capacity would be kept alive, and we would gain time to study how a plane with adequate performance can be procured.

"I believe that Swedish industry should participate at some level, but cooperation with other countries must increase. We can then have a better basis for decisions concerning the balance with coast defense and antiaircraft guided missiles.

"With manufacture under license we should not have to commit ourselves to such large numbers. That way we would retain our freedom of action as between planes and guided missiles and be able to adapt continuously to development, which is moving very fast."

#### "Capacity and Will"

[Question] Today there are only two Swedish unmanned bombers--the 05 for use against ground targets and the 04 against sea targets. All of the unmanned fighters are foreign. Should we instead develop more Swedish guided missiles?

"I think it is more important for the weapon to be Swedish than for the platform (the plane) to be Swedish. The superpowers have countermeasures against each other's weapons; therefore, weapons of our own are more effective against them. I think it would be a very good thing to have at least Swedish target-seeking devices in the guided missiles, but I cannot say that we have the capacity today to make a Swedish unmanned bomber.

"As far as credibility is concerned, it has to do first of all with our capability of defending ourselves and next with our will to do so. Whether we buy abroad or produce at home does not affect our credibility as long as dependence on the suppliers, e.g. with respect to maintenance, does not affect our freedom of action. And today I cannot see any reason that buying abroad would affect our freedom of action."

[Question] Does the present fighter plane suffice to beat back bombing attacks against the civilian population, or can it only protect our own troops?

"If the enemy flies in low, the fighter will have a very hard job. Suitable guided missiles are to be found only in southern Scania. There is a big gap to fill there."

#### "Wars Are Not Won That Way"

"But in a war an attacker will want to take the country quickly to keep the main enemy from having time to intervene, and the important thing for us is to demonstrate to the world around us that the enemy will not succeed in gaining his objective so quickly and safely. His air attack will be directed against military targets. Certainly they can come in with bomber fleets--and also with guided missiles--and cause the civilian population great suffering. But there is nothing to be gained by doing so, since they do not reach their goal any easier that way, their goal being to use our country as a base area or as a passage area."

"Experience shows that wars are not won by harassing the civilian population. The Germans tried that in 1940 and 1941, and the Americans from 1943 to 1945 and later in Vietnam. But people do not give up. They defend themselves instead."

#### "Not Activated Until Near Their Target"

That is how the army chief reasons. He also says that it is our duty to shoot down cruise missiles that pass over our territory. It must be assumed that the nuclear warheads are not activated until they are near their target. Therefore, there will be no explosions when they fall to the ground. We can shoot them down and will do so; we must take the risk, says the army chief.

May our enemies be as rational as Nils Sköld.

#### Industry Leader Cites Advantages

Stockholm DAGENS NYHETER in Swedish 25 Oct 81 p 5

[Report of interview with Harald Schröder by Peter Bratt]

[Text] Harald Schröder is head of Industrigruppen JAS AB, a firm that has been formed by the Swedish aircraft industry to carry out jointly Sweden's second biggest industrial project ever, and he is not in the least doubtful:

"I am quite certain that there will be a Swedish MRCA."

Harald Schröder is not an economist or a market researcher, he is a technician--a 56-year-old civil engineer who also directed the Viggen project. He is accustomed to sticking to facts and figures.

But he has had ample occasion to find out that there are also all sorts of irrational and hard-to-assess interests such as politicians, mass media, and public opinion to take into account outside of the world of wind tunnels and strength calculations. For 10 years the question of the next Swedish combat plane has been pushed and shoved and argued up and down and sideways. With no solution reached.

The engineer relies on logical arguments to justify being so optimistic in spite of everything:

"Our offer is very advantageous to the state. It sets a fixed price for developing the first 30 planes and a ceiling price for the rest. The ceiling price is a maximum price. To be able to set a fixed price it would be necessary to know the wage levels and energy prices, etc., around the middle of the 1990's, and since that is impossible we guarantee a ceiling price and offer to negotiate on a lower price when the unknown factors become known.

"And the plane we are offering meets the operational demands the military have set. It is also within the air force's economic limits. So the Industrigrupp JAS has done what the state wanted.

#### 750 Million Kronor in Penalties

"We have given firm guarantees for the plane's technical performance. The state has the possibility of terminating the project at any time if we do not live up to our promises. Then we must stand our development costs ourselves and in addition we must pay a penalty to the state of up to 750 million kronor. That is an unheard-of amount of money."

The JAS plane [MRCA] consists of body, motor, radar, electronics, armament, and countermeasures against enemy weapons. Previously the FMV (Defense materiel Office) ordered the components from the firms--Saab-Scania, Volvo Flygmotor, L.M. Ericson, SRA [Swedish Broadcasting Corporation] Communications, and FFV (United Manufacturing)--and got the final product together.

Now the industry group, IG JAS, is responsible for the whole thing. FMV goes in to various control stations to see that the demands are met. If anything goes astray, therefore, the FMV can stop the project. Then the aircraft industry will be left with 750 million kronor in penalties and with installations that cannot be used.

It is hardly probable that FMV would overlook faults in the project, since a plane that does not function would have catastrophic consequences for defense, security, and neutrality policy. Many have even questioned whether IG JAS has the capability to produce such a complicated system as the MRCA.

#### "Our Future"

"It is our future that is at stake. The possibility of breaking off the project entails a risk far greater than the amount of the penalty itself. That is the best answer to the question of whether we will satisfy the quality demands. Without absolute confidence in our own ability we would never have signed such an offer," says Håra'd Schröder.

He refutes the criticism of the motor and the allegation of inadequate development potential as follows:

"Armament and electronics will change rapidly and need to be modernized, but those systems are getting smaller all the time and are a minor problem. On the other hand, increasing space is needed for countermeasures. In the MRCA there is room for 200 liters of new apparatus. The FOA [Defense Research Institute], which has devoted a great deal of attention to the space question, has declared that this is sufficient.

"As concerns the motor, I have amused myself with looking into how much Volvo Flygmotor has increased the performance of the motors in Draken and Viggen. In the one case it is some 5 to 10 percent and in the other 10 to 20 percent.

"Fine Motor"

"In this motor we have a gain of 10 to 20 percent, which according to the manufacturer is the normal development.

"With that I think we can drop this discussion of the motor. It is a damned fine motor, that I can say after Volvo Flygmotor has studied it for a year."

[Question] But what happens if the Riksdag decides in the spring to say no to a Swedish MRCA?

"The problem is that we do not know what the state wants us to do in that case. Will there be manufacture under license, say, or direct purchase of foreign planes?

"The discussion of manufacture under license is incomprehensible. All indications are that that is the most costly alternative. It also means losing our capability for developing planes in this country. That hits not only the military, but also the civilian side. And we are now staking billions [of kronor] on building up a whole new industry."

The development division at Saab-Scania is working with military planes, civilian planes, guided missiles, and space. Today 80 percent of the work is military. The goal is to come down to 50 percent. Saab-Scania knows that the MRCA will be hard to export because of political restrictions and that the MRCA is probably the last big Swedish military project.

To achieve a profitable production of civilian planes the firm feels that it is necessary to exploit the experience gained in the military development. Only Boeing manages to have a profitable civilian production without a military manufacture to boot, according to Saab-Scania.

Saab has a successful cooperation with the American firm Fairchild on passenger planes for short flights with seats for 34 persons.

"We have sold 115 planes, which comes to over a billion [kronor] in export income. That is a measure of what is involved," says Schröder, who comes back to the uncertainty about what will happen in case of a no.

"If it is decided to manufacture another 3 divisions of the Viggen, that will give employment to a few hundred persons for a few years. We have counted on

having over 1,000 employed on the development of the MRCA for a year and a half after getting the go-ahead. What will they do instead?

"Manufacturing intercept missiles would in itself be quite realistic, but it has very little effect on the development side and is no replacement for planes."

[Question] One proposal is to make three more divisions of Viggen and wait until 1987 to decide on the MRCA. Can the IG JAS wait so long?

"No, we absolutely cannot do that. But there is still the question of what we shall do in the meantime. We do not know. The question now is yes or no to the Swedish MRCA, period. If the answer is no, the field is wide open."

"The air force needs development resources to be able to cope, to operate and modernize the planes it has. But we do not know how big a demand the state wants us to supply. Will we get the money to continue the preparatory work on the MRCA more or less as we are doing now? Or will we not be getting an öre 5 years from now?"

As Harald Schröder sees the matter, the great danger in case of a no is that the possibilities of going into civilian plane production will be spoiled. The Swedish aircraft industry will be transformed into subcontractors without a capacity of their own.

In case of a yes, not so much will happen from a personnel point of view. The firm has already adapted itself to the smaller volume that a Swedish MRCA involves in comparison to what the Viggen embraced in its time.

[Question] Ten years of investigation and procrastination without a decision--how do you feel about that?

"We have gotten used to it."

#### Paper Weighs General's Arguments

Stockholm DAGENS NYHETER in Swedish 25 Oct 81 p 2

[Editorial by Svante Nycander: "The Arguments Against the MRCA"]

[Text] It is not altogether easy to understand how Air Force Chief Nils Sköld reasons about the future combat plane. One might actually venture to assert, with all due respect, that his reasoning does not hang together properly.

For a long time the whole military leadership has declared that it has a common viewpoint on the combat plane's future missions. Nils Sköld himself has always based his thinking on a combined plane system, Swedish or foreign, for pursuit, attack, and reconnaissance (JAS [= MRCA]). In his special statement to the government he talks about postponing the decision. But even then he supports the MRCA idea. To him the pursuit role is the primary one, but the plane system should be capable of being used for bombing and reconnaissance missions, which are "of great operational importance."

In an interview in DAGENS NYHETER Thursday 22 October, Sköld said that over a longer time the bomber function can be taken care of in other ways, e.g. by means of submarines and guided missiles. Similarly, he seems to feel that the reconnaissance missions can also be carried out without the plane. He has thus given up the MRCA idea, insofar as the expression "over a longer time" does not refer to a time beyond the project that is now under discussion. But in that case the possibilities of replacing bomber and reconnaissance planes with other systems have no significance for the choice of the path to pursue today.

Sköld's central objection to the project of a Swedish MRCA is that with it we would bind ourselves to a certain number of planes and so run a risk of getting stuck in a wrong balance between different weapons systems. Perhaps by the year 2000 we shall want to stake more on land-based and shipboard guided missiles and less on the plane? Sköld is arguing for flexibility. If we renounce the ambition to develop a new plane system of our own, we can later decide to procure a smaller number of planes.

The reasoning is correct if flexibility is needed in only one direction. The fewer planes we want to have, the less occasion there is to develop a Swedish system. But if the plane's relative importance should become greater than is foreseen today, the value of a Swedish MRCA will increase instead. In that case new divisions can be supplied to the organization at considerably lower cost than by importing. Perhaps there is something else in the armed forces that becomes obsolete faster than planes? Cannot guided missile development mean that the plane's importance grows, at least as a missile carrier?

Nils Sköld emphasizes the great value of Swedish industry's participating in the renovation of our plane system and feels that "direct procurement should be avoided as far as possible." But according to the reasoning of the supreme commander of the armed forces, manufacture under license is definitely the most costly alternative for the armed forces. As we go down in volume, we very soon approach the point at which manufacture of a foreign plane system under license becomes economically absurd because of the high fixed costs. The downward flexibility that Sköld speaks for thus points toward direct procurement from abroad and so for dismantling the Swedish aircraft industry.

What does the alternative involve from the point of view of security policy? A Swedish system obviously contains many foreign parts, but it still frees us from a number of risky relationships that go with the importation or manufacture under license of a foreign--in practice, American--plane system. We should avoid as far as possible procuring a combat plane that is a copy of NATO's. Especially in view of the long period during which the system will be in use, it is important that we not make ourselves dependent on others more than is necessary.

Within the industry ca. 9,000 persons are employed today on military plane projects. To these may be added several thousand in various state agencies, in wing-level repair and maintenance workshops, etc., who are engaged in development, production, and maintenance. A decision in favor of a Swedish successor to Viggen would make it possible to maintain the greater part of that employment within the country. Besides the fact that we should thus maintain the base for development of the Viggen system, which will be in operation far into the next century, we would provide the possibilities for the civilian aircraft industry to develop.

If we say no, we must build up some other industry that can earn foreign exchange for an imported plane project and create new employment. This is not the main question in the debate about our future military planes, but it is a question that deals in realities.

## SDECE AUTHORIZED 25 NEW CIVILIAN EMPLOYEES FOR 1982

Paris LE MONDE in French 22 Oct 81 p 29

[Text] As it appears in the government documents submitted to the special Parliament commissions for examination, the secret service fund proposed for 1982 and made available to the prime minister or the minister of defense is growing more slowly than the overall draft budget for the State, and in the same proportion, on the other hand, as the increase in the draft financial legislation announced for 1982 over the 1981 public expenditures (accrued from the July budget extraordinary credits). On the other hand, the SDECE [Foreign Intelligence and Counter-intelligence Service] is authorized to recruit 25 new civilian employees next year.

The secret service fund, as tradition has it, is distributed between the prime minister's budget and the minister of defense's budget. It is known that, in fact, although the SDECE's work particularly is interministerial in nature, control of the secret service is entrusted to the defense department.

For 1982, the prime minister will have 31.01 million French francs for the "government" secret service fund (an increase of close to 20 percent over 1981) and 255.11 million French francs in secret service funds "for specific purposes," in other words allotted by priority to the SDECE. The total (286.12 million French francs) is an increase of 18.9 percent over the funds ascribed to 1981. This increase in the prime minister's secret service funds is comparable to the increase (+ 19 percent) in the draft State budget for 1982 as compared with the 1981 public expenditures (including the extraordinary credits approved last July), but it is much lower than the increase expected (+ 27.5 percent) between 1981 and 1982 in initially equal budget structures (not including the 1981 credits).

## Modernization

The minister of defense, for his part, proposes in his own expense forecasts for 1982 to grant the SDECE a total budget of 302.94 million French francs (operating and equipment combined), a 13.5 percent increase over 1981. To this amount, which will be submitted for parliamentary approval, must be added the 255.11 million French francs for the prime minister.

In the SDECE budget, the operating expenses are increasing the most rapidly (+ 14.7 percent). Part of this increase (about 2.32 million French francs) is planned to cover the recruitment of 25 civilian information officers (basically third class deputies and researchers) in 1982. The intention of Mr Pierre Marion, the new director general of the SDECE is, in fact, to form a department called general studies, synthesis and evaluation. The SDECE employs 2,500 people, more than half of whom come from the three French armies.

The SDECE's equipment expenditures for 1982, for their part, show a standstill, and even a decrease, as compared to 1981, taking general inflation into account. They are increasing by only 9.67 percent in payment credits and 7.79 percent in program authorization (which are anticipated expenses for equipment orders). Basically, it is a matter of modernizing direction finding and transmission equipment and radio-electronic or data processing capacity. Equipping operations are planned for various centers or service stations, particularly in the Paris suburbs.

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## TOULOUSE INDUSTRIES FOCUS ON TECHNOLOGIES RESEARCH

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[Article by Catherine Laurens]

[Text] The 300 laboratories and the 5,000 researchers in the Rangueil complex and the dedication of 10 engineering schools, make Toulouse a pilot city in research and advanced technology. Such scientific potential should encourage companies in the area to be innovative. Some keep a careful watch on the laboratories and use their developments, but they are still too rare (about 60 out of the 2,000 in the Midi-Pyrenees region). SITEF [Financial and Technical Building Company] should be a privileged meeting place for the scientists and the manufacturers.

In 1983 Toulouse will be the European space capital. The city owes it primarily to CNES [National Space Study Center], decentralized in 1971, to space industry companies such as Matra and Thomson, and then to subcontractors such as CEIS [Company for Electronics, Data Processing and Systems], Zodiac and Latecoere.

The Toulouse space center has built and handled the operation of eight satellites. At present it conducts operations control for the Telecom-1 telecommunications satellite, the SPOT earth observation satellite, and the SARGOS system, in cooperation with the United States and Canada (for research on equipment in distress) and directs France's scientific space programs in general.

Matra's space division is involved in the integration of space vehicles, and Thomson is involved in the assembly of payloads. In 1985 these two companies will have hired 900 people if the Ariane program goes well.

About a half dozen small and medium-size companies in the area have entered this field. One of them, CEIS, manufactures receiving beacons for the ARGOS positioning and data collection system, used particularly during the last transatlantic flights. CEIS will soon participate in the worldwide SARSAT [Search and Rescue by Satellite] project, in developing receiving stations and beacons intended for maritime or land rescues.

Such success has been possibly only because of close technical cooperation between the company and the CNES.

Similarly, the Zodiac space company has been able to apply techniques developed for the production of stratospheric balloons to the manufacture of rubber boats, an example in itself of the transfer of technology.

More than 1,500 people currently work for the space effort in the Midi-Pyrenees region, and the work involved in these activities, structured around the CNES, will be corroborated by the development of operational satellites, some of which will be intended for export.

"Toulouse is by far the primary French research center in automation; 40 percent of French researchers working in this field are here. The city ranks second in data processing," declares Mr Alain Costes, assistant director of the LAAS [Automation and Systems Analysis Laboratory]. He hopes that the new decentralization policy will enable development of cooperation between the laboratory and small and medium-size industries. "Until now, the researchers were running up against financial problems, but decentralization will no doubt mark the end of Parisianism. The national research programs will finally be able to be actually directed from the province."

#### Applications

The LAAS, the CNRS [National Center for Scientific Research] lab, employs 300 people. Its mission is to conduct research in automation and electronic components, but significant attention is granted to applications. Thus, in the field of robotics and microelectronics, the lab works with companies existing in the area such as Motorola, SNIAS [National Industrial Aerospace Company], CITEC [expansion unknown, possibly Technical and Economic Interprofessional Center of the North], and Elf-Aquitaine; it is developing efforts aimed at small and medium-size industries: starting at the beginning of next year, an interuniversity lab in microelectronics for students and authorized personnel from small and medium-size industries will be established. Then, a robotics and biotechnology lab will be created.

Teams of Toulouse researchers are integrated within the national ARA [Advanced Automation and Robotics] program and work on robots and flexible labs. They maintain close cooperation with the administration of Renault, currently the primary user of robots in France.

On the other hand, the data processing department at LAAS is working on a national pilot project called SURF [Operating Reliability] which will assist in the design of numerical control systems, particularly for industrial environments. Mr Alain Costes is the director of the project and affirms that Toulouse is the number one center in the world in this field.

The aim of biotechnology is to process material under the control of living organisms or elements derived from them (yeast bacteria, mushroom algae); Toulouse, thanks to the biochemistry and applied genetics research center, and to the biochemical engineering labs at Paul-Sabatier University and at INRA [French Institute for Agronomical Research], is one of the first French centers to tackle microbiological problems. Although the region has available a first-rate university environment in this field, it still suffers from a definite lack as far as industrial achievements are concerned.

One example, in any case, is worth noting: the SETRIC company, with the cooperation of public laboratories, has developed and marketed original products in the field of microbiology, biological engineering, and automation pickups. Among its

achievements can be cited automation of fermenting agents using microprocessors, an enzyme captor, products for use in the veterinary field or in the food industry.

The idea of creating a technology transfer center for industrial microbiology has been decided on and, simultaneously, the nationalized company Elf-Aquitaine has decided to establish a biotechnological research center which should open its doors in 1982. The selection of Toulouse is justified by the existence of a large SANOFI /financial combine for health and hygiene/ research center which is working in cooperation with the CNRS pharmacology and toxicology lab to develop anti-tumor substances.

The very high level scientific environment, the applied research intended for industry, the growth of small companies such as SETRIC are all factors which will raise the Toulouse conglomerate to the highest level in French biotechnology.

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